# FINANCIAL TIMES

No. 25,567 Friday October 1 1971 ** 6p



## News Summary

### GENERAL

## Tension rises in Ulster crisis

tension rising in Ulster Wednesday's bombing of ast pub in which two died. ev. Ian Paisley, Protestant nist MP, had a 50-minute with Home Secretary ig at the Home Office.

aisley said later he had d tougher measures the IRA. including n of minor roads on er, ending the Army's "containing" IRA-held d permission for more action by troops.

### party

Mr. Paisley, at the the Four Step public lignite bombing in hich killed two and 27, announced the of a new party "to aw and order in Ulster move the Faulkner ent."

the official and Pro- wings of the IRA yester- ed responsibility for the mbing and condemned it. John Graham reports from that the pub bombing had o dangerously increased on between Protestants and olics.

### 'ot to kill'

eanwhile security forces d a wired and primed 30-lb h in a room above a crowded st restaurant.

police spokesman said: only did they give us only minutes' warning, they ave us the wrong location. obviously an attempt to t only troops and police nocent civilians as well." Page

### alin e man

the Foreign Office yester- officially named Oleg Lyalin, ner member of the Soviet le Mission in London, as the man "being questioned" set afoot the expulsion of Russians for spying, there reports from Moscow that is planned to retaliate by lling about 20 Britons.

t Foreign Secretary Sir Alec glas-Home said at the United ons that his talk with Soviet eign Minister Gromyko had eared the air," and he ped there would not be "retaliatory action. Page 15

### arm forecast

long-range weather forecast ed yesterday was for warm ther everywhere and a dry half of October. The month pected to start with at least week of warm weather in districts and, apart from ional rain, in North-western it is likely to be mainly Page 1

### spital saved

Charlotte's Hospital, nersmith, has been saved a 75,000-name petition its closure. It will be re- n the site of St. Bernard's l, Ealing, as part of the King Edward Memorial l.

### ple and places

mission in London its doors for the first time y years for a National eption.

Power Station, h, closed earlier this a 4,000-ton explosives s found nearby, began s lower reservoir—but say when the power ild re-open. Page 21

ice held former SS nat Pohl on suspicion y in wartime murder ople.

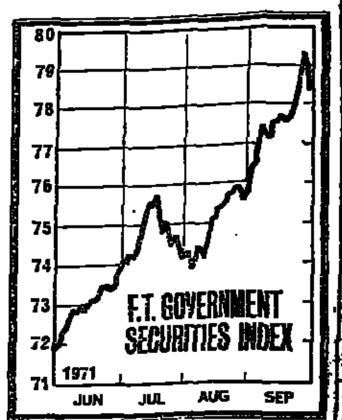
a smashed a window ard Gallery, South est at proposed cat- ations in an Arts bition. But the Arts it had cancelled the ngs anyway.

000 children, mostly fourth rmers, play truant from school y day, the National Associa- n of Divisional Executives for ucation were told.

### BUSINESS

## Gilts, equities lower

● GILTS widespread losses were led by the longs, which dropped by up to a full point to levels about £2 lower than the recent four-year peaks.




Mediums lost between ½ and ¼, while shorts were mostly unchanged. The index closed at 78.34, a loss of 0.53.

● EQUITIES drifted lower after an early technical rally. The index ended down 4.5 at 409.2.

● THE £ EDGED UP by 24 points to \$2.4832½ and lower short-term Eurodollar rates helped weaken the \$ against most major currencies.

● GOLD FELL 15c to \$42.50.

● SILVER SLUMPED 0.7p to 55.4p—a new four-year low. Page 4

● WALL STREET'S index closed up 3.22 at 887.05.

## Loans plan for ports

● GOVERNMENT PLANS to provide loans for port authorities which have trouble raising funds on the market for renewal of capital debt were announced yesterday in a White Paper: Financial Policy for Ports. However, the conditions for the loans—normally over ten-years-plus with an initial 9½ per cent. interest rate—will be deliberately tough as an encouragement to the authorities to continue to borrow on the market when possible, or to replace Government loans at the earliest opportunity. Back Page; Page 34

● BRITAIN COULD at last be headed back along the path to economic sanity, declared CBI chairman Sir John Partridge, who felt the next few months would provide a firm indication. Page 14

## Hint of R-R pay-out

● ROLLS-ROYCE LTD. receiver Rupert Nicholson indicated that there might eventually be a distribution on shares, although both creditors and shareholders may have a long wait. Back Page

● DOMESTIC CAR SALES fell 2 per cent. to 500,818 in this year's first half, compared with 1970, whereas imports continued their rapid increase in market penetration with 118,769 sales (76,443). Page 11

● UNION CHIEFS WARNED yesterday they would not co-operate with the first stage, implemented to-day, of the Industrial Relations Act. They urged companies to concentrate on improving voluntary procedures rather than finding ways of using the laws. Page 21

● UNION-MANAGEMENT talks British Aircraft Corporation's Filton plant are to resume to-day, without pre-conditions, as a result of intervention by Bristol MPs, who spent several hours negotiating to bring the sides back together

### COMPANIES

Ready Mixed Concrete raises its interim to 10¼ per cent. (9½) on first-half pre-tax profit of £3.42m. (£1.99m.). Page 27; Lex

# Connally outlines terms for early end to surcharge

BY PAUL LEWIS, U.S. EDITOR

WASHINGTON, Sept. 30.

**U.S. Treasury Secretary, Mr. John Connally, made plain to-day that he is now anxious to break the deadlock over the American import surcharge, although still determined to secure a lasting improvement in the balance of payments through a recasting of the world monetary system.**

In a major conciliatory gesture, Mr. Connally told the IMF meeting this morning that he would be prepared to remove the import surcharge in a matter of weeks if the surplus countries would allow a bigger appreciation of their currencies in the market place and make tangible progress towards dismantling some barriers to trade.

But, at the same time, he made it very clear that the American Administration is still determined to negotiate far-reaching reforms of the world trade and monetary systems that would bring the country's balance of payments problems to a rapid and permanent end.

"Mr. Connally's keenly awaited speech amply confirms the change of atmosphere in the monetary crisis that has developed here this week. The U.S. is ready for a settlement on the immediate surcharge issue, but it remains adamant in its quest for extensive changes in long-term trade and monetary practice.

Mr. Connally said that the lack of an instant solution to the international problems created by President Nixon's new economic programme was in no way disheartening since "the simple fact is that progress is being made." There was broad agreement on the need for a substantial adjustment in the American trading position that would involve a parity realignment, concessions outside the exchange rate field and a longer-term recasting of the monetary system leading to a reduction in the importance of gold.

Some exchange rate adjustment had already taken place through the European and Japanese floats. But this was still inadequate and being thwarted by continuing controls and central bank intervention which interfered with the search for a new balance. In a notable conciliatory sentence, he admitted that the American surcharge and capital controls were themselves "a disturbing influence."

## Compromise

Mr. Connally then went on to make the key concession in his speech. He said: "If other Governments will make tangible progress towards dismantling specific barriers to trade over coming weeks and will be prepared to allow market realities freely to determine exchange rates for their currencies for a transitional period, we, for our part, would be prepared to remove the surcharge."

In the American view, a short period of free floating might now facilitate agreement on a new pariyt realignment by allowing market forces to provide an objective pointer to the scale of parity changes required. The West German Finance Minister, Dr. Schiller, gave some support to this view to-day when he complained about so-called "dirty floating," but the IMF managing director echoed the reserves of other European countries by saying that he thought it would be difficult to arrange.

In broad terms, Mr. Connally's offer is in line with the procedural compromise worked out by the Ministers of the Group of Ten last Sunday and shows that the U.S. Administration is prepared to negotiate constructively within this formula. The idea then was that the import surcharge should be traded against a parity realignment coupled with a small number of specific trade concessions, notably by Japan. However, the Administration's longer-term complaints about trading practices, military burden-sharing and the shape of

Continued on Back Page
Editorial comment Page 24

# Labour to debate economic policy document

BY JOHN ELLIOTT, LABOUR EDITOR

A NEW Labour Party economic policy document which it is hoped could provide the basis for joint talks between the Party's leaders and the trade unions on a future prices and incomes policy is to be debated at next week's annual Labour Party conference in Brighton.

The document will be considered by the Party's national executive at its pre-conference meeting to-day. Called "economic strategy, growth and unemployment," it lays far less stress on wage control than on the other aspects of economic policy.

It envisages statutory price controls and a voluntary wage policy along with a considerable extension of nationalisation, new approaches to the problems of regional development, and the creation of a National Labour Board taking over some of the functions of the Department of Employment, such as training and employment exchanges.

The idea of price restraint would be operated at two levels. First, there would be permanent statutory controls on wholesale prices pegged to the point of production. These controls would be applied to a selected list of key products and services, most of which would probably be basic commodities bought by the average household.

## Two levels

An "early warning" system for price rises would be set up, rather along the lines of that operated by the last Labour Government and there would also be a new inspectorate whose duties would be to check on retail prices.

A body similar to the Commission on Industry and Manpower, which the last Government had intended to set up as a successor to the Prices and Incomes Board and Monopolies Commission, would also be created to investigate cases where it was suspected companies were either in a monopoly position or were able to wield excessive market power.

In addition, the document contains a predictable list of industries which should be nationalised—aircraft manufacturers, the drug industry, North Sea gas, construction, ports and shipbuilding.

In the regional policy section of the document it is proposed that the country should be divided into four categories according to the needs for development. Those in "congested" areas would be subject to a pay-roll tax while those in "development" or "intermediate" areas would receive a payroll subsidy replacing existing regional employment premiums. In the middle would be "neutral" areas where there would be no tax or premium.

# Pergamon: Maxwell talks of bid

BY SANDY McLACHLAN

MR. ROBERT MAXWELL, former chairman of Pergamon Press, yesterday gave a firm statement of intention to make a cash offer for the 73 per cent. of the Pergamon equity he does not already own. Speaking at his home in Headington Hill Hall, Oxford, in front of yesterday morning's annual meeting, Mr. Maxwell said that he would make his offer as soon as the Pergamon share quote was restored on the Stock Exchange. He added that the bid would be made from his own resources and not in partnership with a U.S. group, as previously planned.

In the High Court yesterday afternoon, Mr. Justice Forbes refused to grant the injunction which Mr. Maxwell was seeking to prevent the Department of Trade and Industry inspectors from continuing their investigations into the affairs of Pergamon, pending the result of Mr. Maxwell's action against the DTI and the inspectors over the report, already published, on International Learning Systems Corporation and the interim report on Pergamon Press.

However, Mr. Maxwell is claiming the result of the court's decision as a victory, since the DTI inspectors have undertaken not to hand over the Pergamon report until the result of the other court action is known. Moreover, Mr. Justice Forbes ordered a speedy trial of Mr. Maxwell's action.

But the key to the Maxwell victory claim is the judge's support for his contention that the first report was not compiled with due regard to the principles of natural justice. Mr. Justice Forbes commented: "The probability is that the trial judge would find there was a failure by the inspectors to direct themselves properly as to the rules of natural justice which should govern their investigation."

"My decision most emphatically does not mean that the inspectors have been unfair. It merely means that it is likely that at the trial of the action they may be found to have taken a wrong decision in a field where the landmarks are few and the terrain confused."

The judge's decision was based on the fact that Mr. Maxwell was not given the right of reply to criticisms of him contained in the report, before the report was published.

In a strongly-worded statement last night, Mr. Maxwell, referring to the judge's remarks on this point, said: "If the report were to be declared to be invalid how will the DTI and its inspectors correct the almost irretrievable damage done to Mr. Maxwell, Mr. Pickard and many other witnesses to the inquiry.

"Mr. Maxwell, with his legal advisers, is seriously considering whether to go to the Court of Appeal on the question of injunction, or whether it would be in everybody's best interests to proceed with the speedy trial of the action ordered by Mr. Justice Forbes."

But while the controversy over the DTI reports continues, the situation at Pergamon Press itself is calmer than at any point since the fateful bid from Leasco which started the row more than two years ago. The Pergamon annual meeting in Oxford passed off quietly and was over in less than half an hour, with all resolutions being passed without dissent.

Best news for shareholders—who have been locked into their Pergamon shares since the quote was suspended in August, 1969—is that a successful application for re-quotation is at last in sight. The Pergamon chairman, Sir Henry d'Avigdor Goldsmid, told shareholders that the accounts for the year ended yesterday should be available in six months' time and should be substantially without qualification by the auditors.

Law Report Page 13

# EEC: Jenkins stands firm

BY JOHN BOURNE

MR. ROY JENKINS intends to run again for the deputy leadership of the Labour Party in November, even if he has to defy his party whips a week or so earlier by voting with the Government when the Commons casts its key vote on British entry into the EEC.

This is being confidently asserted by some of his closest supporters and there is no reason to doubt them. What is not yet clear is whether he is likely to resign (if only temporarily) as Deputy Leader before Parliament takes its EEC decision on October 28.

## Debate

There are some strong arguments in favour of his standing down for the period of the six-day Commons debate, and some of his pro-Market colleagues believe that Mr. Jenkins may do so. But it can be stated authoritatively that he will not make up his mind on this point until after Labour's MPs meet on October 19 to take their formal decision against the EEC entry terms, and until it is known for certain that there will be a three-line Labour Whip in the Commons.

Mr. Jenkins will then discuss the position with other pro-Marketeers, who include at least three more members of the "shadow" Cabinet—Mr. Harold Lever, Mr. George Thomson, and Mrs. Shirley Williams—and several junior Front Bench spokesmen. Mr. Jenkins is said to be determined to vote for the EEC entry terms, and that there is no question of his abstaining.

## By-election

The result of the Macclesfield by-election, to be announced to-day, could increase the political difficulties of Labour's pro-Marketeers. If the Government loses the seat, or only just holds it, they will be attacked even more fiercely in their party.

Yesterday, Mr. Ian Mikardo, this year's Left-wing chairman of the Labour Party, said that Mr. Jenkins must choose between support of the Common Market and the deputy leadership.

Mr. Mikardo also questioned whether Mr. Jenkins could remain as "shadow" Chancellor when Parliament would next year be debating the tax legislation, including VAT, needed before Britain joined the EEC.

## Neck-and-neck

A Gallup Poll, in yesterday's Daily Telegraph, showed both main parties running neck-and-neck at Macclesfield. Of those questioned, 44 per cent. supported the Labour candidate and 44 per cent. the Conservative.

The latest ORC poll on the Common Market issue published by the European Movement, shows approximately 39 per cent. in favour of British entry and 43 per cent. against, with 17 per cent. uncommitted.

Support for British entry, says ORC, has fallen slightly since August, while the "Don't knows" have increased.

Party power tussles Page 25

## ON OTHER PAGES

### LEEDS

To-day's issue contains five pages (16-20) on Leeds.



## FLOATING £

| £= | Sept. 30 | % change since Aug. 13 | % change on par value |
|---|---|---|---|
| U.S. \$ | 2.48½ | +2.7 | +3.5 |
| Can. \$ | 2.50¼ | +2.4 | −3.3 |
| Dutch fl. | 8.36¼ | — | −3.7 |
| †Belg. frs. | 116.82½ | −2.7 | −2.6 |
| D.-Mark | 8.24 | +0.5 | −6.1 |
| It. lire | 1,520½ | +1.3 | +1.4 |
| ‡French frs. | 13.73½ | +3.0 | +3.0 |
| Jap. yen | 820 | −5.1 | −5.1 |
| Swiss frs. | 9.82 | — | +0.2 |

† Convertible account.
‡ Commercial account.

## THE £ ABROAD

| — | Close Sept 30 | Close Previous |
|---|---|---|
| New York (Spot) | \$2.4851-4855 | \$2.4840-4843 |
| Do. (1 month) | 0.35-0.45prem | 0.35-0.42prem |
| Do. (3 months) | 1.15-1.25prem | 1.25-1.30prem |
| Do. (12 months) | 1.05-1.20prem | 1.25-1.45prem |

# Midland puts up rates for big deposits

BY MICHAEL BLANDEN

THE COST of bank borrowing remains unchanged to-day as the big banks enter the new era of free competition. All the London clearing banks yesterday announced unchanged and uniform base rates for their lending.

Only the Midland sprang a surprise with a limited break away from the old "cartel" rates for depositors, offering slightly higher interest rates through its branches for sums of money over £10,000.

The London clearing banks—the big four, plus Williams and Glyn's and Coutts—are holding the rate they pay on the normal seven-day deposit accounts at 3 per cent., and are keeping the base rate on which they calculate the cost of advances at 5 per cent.

## Structure

The base rate for lending therefore remains for the time being the same as Bank rate. As a result, interest rates on overdrafts are essentially unchanged, with the "blue chip" rate—the rate available to the top quality corporate borrowers—at 6 per cent., or 1 per cent. over base rate. Other borrowers will, as before, pay rates varying upwards from this level, to 4 or perhaps 5 per cent. over base rate.

Within this structure, however, there is scope for the banks to adjust the cost of their money for individual customers, and given the surplus funds which the banks are anxious to lend it is possible that there will be some competition in this way to encourage borrowers.

While the base rate is at present uniform, moreover, it is no longer specifically tied to Bank rate. Each bank may change at any time according to its view of the money market.

Mr. Alex Dibbs, deputy chief executive of National Westminster (thought by some bankers to be the bank most likely to lead a move in base rates) stressed that "no dramatic changes in rates are likely to be apparent in the short term."

## Deposit

He stressed the variety of lending services now available to bank customers from short to medium term, and added: "We are now much freer than we have been for many years to fulfil the banker's traditional function as a source of finance to meet all customers' requirements."

Midland said that under the new system personal lending would be easier. "We shall be repackaging our lending to make it more attractive to different groups of borrowers."

On the deposit side, the great bulk of bank customers holding money with their banks will find no change, with the old pattern of no interest on current accounts and 3 per cent. (the same as the old 2 per cent. under Bank rate) paid on deposit accounts.

Midland, however, has made a significant move away from this pattern, at some potential cost to itself in raising the price of a slice of its existing deposits.

From now on, seven-day deposits with Midland branches of between £10,000 and £25,000 will attract a higher interest rate of 3¾ per cent., while those over £25,000 will be paid 4¼ per cent. Midland has split its deposit-taking activities, with the branches taking the normal seven-day money while the newly established London-based money market division will be in the market for other types of deposit—on call, notice or for fixed periods—from £10,000 upwards.

The Midland move represents the first breach in the old uniformity; and by bringing the limit for special treatment down to £10,000 from the previously normal £25,000, the bank has extended the coverage of the special interest terms available.

All the banks are, as before, prepared to negotiate appropriate rates for large sums of money according to the terms on which they are deposited, though they are now able to do this themselves rather than through special subsidiaries set up for the purpose.

## Savings

NatWest is prepared to quote through its group deposit office and has already started raising money by issuing sterling certificates of deposit. Mr. Dibbs said it has also for the time being cut the normal minimum amount it will consider for special terms to £10,000.

Barclays will take amounts over £25,000 on negotiable terms. Lloyds, which tends to avoid rigid rules in its borrowing and lending, considers £50,000 as a basis for term deposits, but can in fact place considerably smaller sums with its various subsidiaries and associates.

Savings accounts are generally unchanged, paying 4¼ per cent. up to £250 and deposit rate above that level, but the banks are expected to develop other attractive savings packages.

The Bank of Scotland also announced that its base rate will be 5 per cent. until further notice.

### GUARDIAN GOING UP TO 5p

The Guardian newspaper will go up from 4p to 5p from Monday. A spokesman said last night that the increase was needed "to meet rising costs." The paper's last price rise was in October, 1970.



## CHIEF PRICE CHANGES

(Prices in pence unless otherwise indicated.)

| RISES | | |
|---|---|---|
| [illegible] Rhodesia 2½% | £62 | + 5 |
| [illegible] Securities | 107 | + 3½ |
| [illegible] Biscuit | 357 | + 15 |
| [illegible] McConnell | 120 | + 6 |
| [illegible] Invest. | 170 | + 8 |
| [illegible]an Industries | 310 | + 10 |
| [illegible]adys Metal | 75 | + 11 |
| [illegible] T.V. 'A' | 60 | + 12 |
| [illegible] Shoes | 55 | + 8 |
| [illegible]mph Invest. | 193 | + 10 |
| [illegible]scon | 28¼ | + 5½ |
| Williams & Humbert | 108 | + 26 |
| Cons. Murchison | 255 | + 15 |
| De Beers Dfd. | 183 | + 5 |
| Palabora | 380 | + 10 |
| Roan Cons. Mines | 180 | + 5 |

| FALLS | | |
|---|---|---|
| Treasury 8¼% '87-90 | £96¼ | − ¾ |
| Do. 9% 1994 | £105¾ | − 1 |
| Do. 8¼% | £100¾ | − 1 |
| War Loan 3½% | £41¾ | − ½ |
| Beatson Clarke | 143 | − 14 |
| Bryanston | 66 | − 9 |
| Debenhams | 221 | − 11 |
| Doulton | 37 | − 7 |
| Kenning Motor | 85 | − 10 |
| Leslie & Godwin | 380 | − 15 |
| Marks & Spencer | 302 | − 13 |
| Meat Trade Suppliers | 54 | − 6 |
| Morgan Crucible | 108 | − 9 |
| Nation. Westminster | 552 | − 12 |
| Pratt (F.) | 50 | − 5 |
| Reed & Smith | 35 | − 17 |
| Reyrolle Parsons | 83 | − 36 |
| Wheelock Marden | 175 | − 10 |
| Woodall-Duckham | 83 | − 6 |
| Shell Transport | 348 | − 6 |
| Anglo-Vaal | 620 | − 20 |
| Poseidon | 700 | − 25 |
| Tara Exploration | 660 | − 20 |
| Vaal Reefs | 415 | − 25 |

## U.K. DAILY STOCK INDICES

### F.T.-ACTUARIES

| | Sept. 30 | Sept. 29 | Yr. ago |
|---|---|---|---|
| Industrial Group | 170.21 | 171.12 | — |
| 500 Share | 183.65 | 184.74 | 144.51 |
| Div. Yield pc | 3.61 | 3.59 | 4.48 |
| P/E Ratio | 17.85 | 17.93 | 14.73 |
| All Share | 181.25 | 182.29 | 138.14 |
| Consols Yield pc | 8.69 | 8.57 | 9.29 |

### FINANCIAL TIMES

| | Sept. 30 | Sept. 29 | Yr. ago |
|---|---|---|---|
| Govt. Secs. | 78.34 | 78.87 | 70.65 |
| Fixed Interest | 78.21 | 78.35 | 72.98 |
| Industrial Ord. | 409.2 | 413.7 | 363.4 |
| Gold Mines | 47.3 | 47.3 | 49.1 |
| Ord. Div. Yield | 3.79 | 3.75 | 4.62 |
| Earnings Yield | 5.91 | 5.88 | 6.38 |
| P/E Ratio | 16.93 | 17.01 | 15.67 |
| Dealings Marked | 11,052 | 11,977 | 9,879 |

For latest share index phone (01)-236 8026

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# Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4

# Management research · Inflation · The EEC

Sir,—Referring to Mr. Johannsen's letter (September 29), I agree that the SSRC Annual Report and DEP Training Register *provide a useful list* of management research projects. The real problem, however, is to expose the results of the more valuable academic activities in the management field to the manager.

Many research projects are undertaken without the results ever being published, but even published works often only reach a very small audience and are not brought to the attention of those in industry who could make practical use of their findings. In some cases this is understandable because they are too theoretical but as Professor McClelland, Director of the Manchester Business School, has pointed out, the better management research projects are conducted upon a problem and the research is not complete until the results have been applied in practice and found to be true.

Some means has to be found to make research results available to industry. BIM has made a start in this direction by devoting a regular section in its quarterly journal *Management Abstracts* to Management research with the specific aim of making some research activities known to industry. Letters from both BIM members and academics show that there is considerable interest in this area.

I would be pleased to hear from any researchers who feel that their work is relevant for inclusion.

N. Kingston (Miss),
Research Officer,
British Institute of Management,
*Management House,*
*Parker Street W.C.2.*

## A central register

Sir,—I agree with your correspondent P. A. Cartwright (September 24) in his recommending a central register of all research projects in management to be kept by the BIM. Also I would agree with his suggestion that the better Diploma in Management Studies project reports should be included. Some of the latter are excellent and contain research findings of use to others. Because we believe this to be true we are planning, but only where we have the full permission of the companies and students concerned, to publish a selection of the better projects. The BIM could then keep a copy of each in its library or in any case a list of those available, categorised by subject and type of company.

R. M. P. Green, Senior Lecturer,
Centre for Management Studies.
*Sheffield Polytechnic,*
*Goove Road,*
*Totley Rise,*
*Sheffield.*

## Overcharging in new pence

Sir,—The comments of the National Chamber of Trade, protesting at the statements of the Minister of Agriculture, are not only absurd but also symptomatic of the bigoted and greedily selfish disease the majority of British business is suffering from. This malady that allows private business interests to sabotage the entire nation is so obvious that the NCT's hypocrisy in denying its effects is both sorrowful and sickening, as it shows no hope of a cure.

That their denials of overcharging are so much hogwash is easily demonstrated by comparing an article priced in the "old way" with the same article priced in new pence; for example—

| Each | Per dozen | Per gross |
|---|---|---|
| 2s 9d | 33s 0d | 396s 0d (1.980p) |
| 14p | 168p | —— 2,016p |

As many market men, barrow boys and smaller shops still price their goods the "old way" it is clear that if the members of the NCT were concerned with keeping prices down they too would still use £ s d at the manufacturing and wholesale levels in order to negate the inherent increase in using new pence prices. For those who believe this to be a mere triviality I suggest they think again for the built-in mark-up overprices at each stage by a matter of two to three per cent., depending on the windage allowed. Clearly someone is paying excessively for the conversion factor, probably me.

As an example of the bigoted greediness rampaging among us, I quote the statement of Mr. David Orr, deputy chairman of Unilever, who commented on the estimated £30m. cost of treating effluent for the food industry: ". . . Such sums could not come out of profits, nor, indeed, was there any reason why they should, he maintained. If the public was being given both good food and clean rivers it was reasonable that they should pay for the extra amenities." I have made an on-the-spot survey of this area and can find no one giving away good food of any description, in fact some of the muck that they offer as prepackaged and pre-frozen is so grossly over-priced it could be another year before they sell any of it. As to providing us with clean rivers, I rather thought that they grew that way. The extra amenities he refers to were not specified so I am at a loss to know what they are unless they are that mysterious spaciousness that appears in the top fifth of the box containing whiter than white.

D. Fabian.
*30, Stanesby Rise.*
*Clifton, Nottingham.*

## Interest rates and inflation

Sir,—There would appear to be three factors in inflation, namely wages, prices, and monetary control including interest rates. Attention has been focused recently on wages and prices whereas I suggest attention should be paid to the severe inflationary effect of the high interest structure which has either deliberately or permissively developed over the years. Interest rates are at present falling slightly, but the yield on medium to long Government securities is still over 8 per cent. and I would like to draw attention to four results of this high basic rate.

First, a man to-day could save £100 per annum which if invested in Government stocks at 8 per cent. p.a. (through a pension fund and therefore free of tax) would entitle him to a lump sum of £25,905 or a pension of £3,026 per annum after 40 years or after 45 years £38,650 or £4,516 per annum. With the growth of *pension schemes* the country could only pay these amounts in devalued £s.

Secondly, all borrowing rates are based on a mixture of the gilt edge rate and Bank Rate. This applies even to equities because one has to add to the nominal yield the yield expected from capital profit. Is it surprising that with such a high yield obtainable from risk and trouble-free investments capital for development or house building is either in short supply or obtainable only at very high rates?

Thirdly, the total of Government stocks, bank deposits, building society deposits, etc., is something over £70,000m. and assuming an average family unit of four persons the interest thereon amounts to something like £250 per annum for each such unit. Is it surprising that the whole structure of wages and prices has had to inflate in order to make this burden tolerable?

Fourthly, the continuous raising of the interest structure since the war has resulted in a corresponding fall in the market value of all fixed interest securities and the virtual swindling of all those who obeyed the Government's request to save.

Since we left the gold standard there is no necessary link between the amount of money in circulation internally or its basic interest rates and that rate necessary to attract or repel loans or deposits from overseas for balance of payment purposes. Especially since our Government *is committed to playing down* Sterling's international role something should be done about it and quickly.

A. R. Stewart,
*22, The Avenue,*
*Poole.*

## Torches to the countryside

Sir,—It is ironic that on the same day as your correspondent Mr. J. F. Richards (September 24) comes out in favour of straw burning, Sir Emrys Jones should be reported elsewhere in your columns as follows: "Some soils are suffering from dangerously low levels of organic matter. . . . In the 1960s farming standards as well as profits had declined. . . . Foliar diseases of cereals became a more widespread hazard each year and grass weeds, especially wild oats, are spreading like wildfire." The simile is apt. There is very possibly a direct correlation between these problems and the ever-growing practice of burning straw.

In this part of Essex/Suffolk the damage to the ecology done by indiscriminate straw burning is frightening. There has been wholesale burning of straw, hedges and trees (not to mention the occasional house). It is reminiscent of the annual grass burning orgy which has wrought such havoc in the more *primitive parts of Africa.* It should be obvious that this sort of burning will in the long term have a harmful effect on agriculture by reducing the organic content of the soil. At the same time, the aesthetic disaster of burnt trees and hedges is a matter for national concern.

If this country is to remain a tolerable place in which to live then we cannot afford to have a large part of it laid waste by an indifferent and indolent minority of farmers. It is indeed curious that at a time when the planners are so busy trying to control the effect on the countryside of industrial and residential development the farmers should be able with complete impunity to put that same countryside to the torch.

Jeremy Hill.
*Peyton Hall,*
*Bures, Suffolk.*

## Undeclared jobs

Sir,—This month in Dorchester a man pulled up outside the Department of Health and Social Security in a lorry to draw £15 for unemployment benefit. He had been doing so for some months past. He happened, during the same period of time, to be working as a self-employed haulier at £25 a week. His employer saw his lorry drawn up outside the Department of Health and Social Security office and, after hearing the man's explanation, terminated his engagement. That was the end of that particular fraud.

It is the view of many in the working classes that those in receipt of unemployment benefit are often considerably better off than those who work and have tax deducted from their pay packets, because so many of those on the dole have undeclared jobs on which no tax is paid, in addition to the various kinds of relief benefits they draw.

Before the Government get into a panic over the total of alleged unemployed edging towards the million mark, it should consider that many of those in this category have, perhaps, never had it so good, and that if the various means of extracting money from Government were better known, the number of "unemployed" might be a good deal higher than it is.

L. T. S. Littman,
*Ashley Chase,*
*Abbotsbury, Dorset.*

## Work in progress

Sir,—I am grateful to your various correspondents who have commented on my views re. the valuation of work in progress which, by conventional accounting practice, is presumably a matter of factory cost only.

Why a standard article, sold ex stock, as mentioned by both Mr. Williams (September 24) and Mr. Faulkner (September 27) should be exempt from any administration overheads as against an article manufactured against a firm order, is beyond my comprehension. Whatever the type of article, original estimates and selling prices have to be worked out, and in these days of material and labour cost fluctuations, a continuous watch on such costs must be exercised and selling prices revised to allow for increased costs. A motor-car is a standard product sold ex stock, but I imagine that before a car manufacturer announces an increase in the cost of his cars much work has had to be undertaken by estimators, cost accountants and buyers, to ascertain up-to-date material costs and labour rates, to say nothing of overhead variations. The profitability of the car must be maintained.

What "a large army of beavering accountants" has to do with valuing stock correctly beats me. And why does Mr. Fyne (September 24) imagine the accounting function becomes ridiculous when it is aiming at as stock valuation as is h possible? Slipshod met valuation will only produ and misleading figures, it should be as accurate human capacity, as is t balance at the bank. actual money, the other tied up in stock, but bo the same meaning in th cial accounts as far as th or loss is concerned.

Cost or market value ever is the lower; that p must always be observed. other hand, a fair and sive distribution of ov should be aimed at. Stra an article requiring six tions for its completion after five have been com have only factory ov apportioned to it, but diately the sixth opera completed and it becom finished product for sa entire administration and overheads are piled on go to form, with the pr selling price.

L. Jeffries.
*1, Garden View,*
*Papcastle,*
*Cockermouth.*

## Volkswagen sales

Sir,—The reason for ference between our sales figures and returns," touched on by Ensor in the Financial (September 24, page 1), straightforward.

The "official returns" by the Society of Motor facturers and Traders ar on the month's regist whereas Volkswagen figu based on cars actually d to customers by VW dea

There is frequently a ancy between actual de and registrations. This cularly evident in the August period, when many purchase their car in Ju it registered (in advan benefit from the new registration suffix, but take delivery until Aug

For the SMMT these w July sales because th registered in July. Fo wagen they would be sales, because they are delivered in August.

Indeed, if the July figures are taken toget SMMT reported us sellin cars while we only claim of just over 9,700.

Philip Stein,
Public Relations Consult
Volkswagen GB.
*Volkswagen House,*
*Brighton Road, Purley.*

## Universal free trade and the EEC

Sir,—We are subject almost daily to the arguments of the "universal free-traders" and their paranoid cries of "trade-war" in respect of U.S. foreign-policy and the dollar, and who then proceed to adopt the currently fashionable U.S. stance of "knocking" any kind of regional trading-bloc arrangements, meaning more especially the growing power of the EEC.

These writers display a naïvety and a lack of sense of historical perspective and political "necessity" akin to that of the era of 19th century British free-trading, "laissez-faire" merchants. With a myopic view of the world in which trading-profits are seen as the only yardstick by which to judge affairs, the latter-day free-traders refuse to acknowledge that the ruling principle of international affairs is the pursuit of national self-interest in an environment where power-balancing tactics are practised. Of course, it was the British who extolled the virtues of universal free-trade from about 1842 onwards. Having led the industrial revolution they were most in a position to profit from the practice of that dogma, hell-bent as they were upon *acquiring* as much of the world as possible for their expanding Imperial domain to the tune of "Wider still and wider shall thy bounds be set." Of course it is the Americans who have waved the free-trade flag since World War II, from which they emerged as the world's most economically powerful trading-bloc. It was the doctrine best catering for their universalist aspirations.

"Free trade" is the ideology of the Darwinian struggle in which the strongest grow fattest and the weakest go to the wall—a fitting *modus operandi* for business firms, but hardly for nations.

What is Welsh or Scottish nationalism but justifiable resentment over the "south-east drift" in a U.K. where internal free-trade policy has been conspicuously successful, untrammelled by a much less successful regional-policy? Do the "universal free-traders" really want to assist U.S. "dollar-diplomacy" and encourage the General Motors, the Standard Oil's of New Jersey, the IOS's, etc., to acquire most of the world's assets on the *back of a perpetual U.S.* payments-deficit?

The free-trader doesn't see that for 400 years British economic prosperity was built upon a foreign-policy of keeping the Continent divided and unable to erect a single unified tariff-barrier against her. Playing "Perfidious Albion" Britain would weigh-in on the weakest side to restore the balance of power. After two world wars in the 20th century this policy has failed and European "great" powers are now in a unified structure across the Channel, but the free-trader doesn't see that stagnation in British economic growth in the 1960's is the obverse of the visible success of the EEC and British exclusion—nothing to do with bad industrial management or bellicose trade unions.

If the universalist free-trader wants to do justice *to his* cause he should see that states throughout the French Commonwealth, British Commonwealth, EFTA, the rest of W. Europe, other less-developed Afro-Asian areas and even E. Europe, have negotiated, or are seeking to negotiate, associate arrangements of varying degrees of trade liberalisation according to their circumstances.

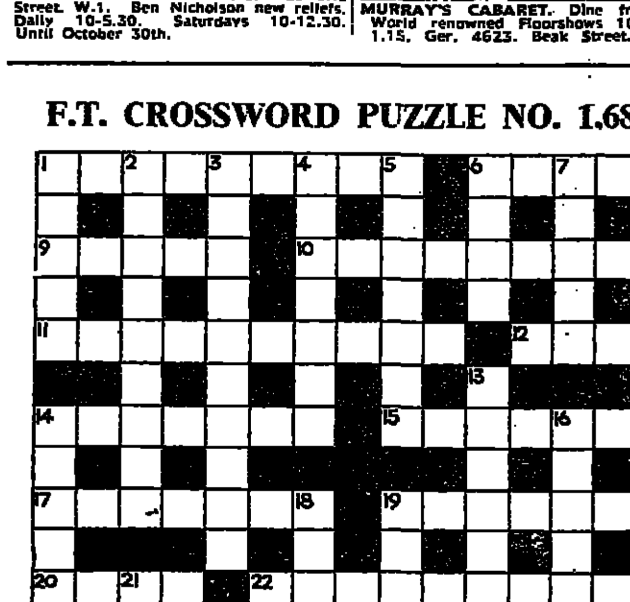
The evolution of the recent bi-polar world balance-of-power into possibly a quintuple pattern inclusive of the EEC, China and Japan is not necessarily more undesirable, or escalatory, than the present state of affairs. If universal free-trade and competition organised by its necessary corollary—a universal referee, rules and penalties (government) cannot be created overnight, at least the EEC is one footstep in the right direction.

The free-trader should get himself involved in EEC processes of positive-integration in the fields of taxation, monetary policy, company law, regional development measures, parliamentarianism and democratisation. It will all be good practice for a much bigger job later.

Philip C. Ormrod, B.Sc. (Econ.).
—ex LSE,
British Council of the European Movement.
*10, Compayne Gardens, N.W.6.*



## F.T. CROSSWORD PUZZLE NO. 1,681



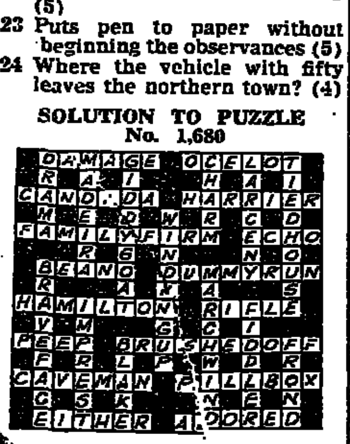
ACROSS

1 The plate with one's meal is not straight (9)
6 Scold in undignified language (5)
9 Gas in the circular area (5)
10 Obvious quarrel for the one who starts the suit (9)
11 Have to thank the ruler after the old part is returned for more thrust (5, 5)
12 Getting caught in it makes me ask for silence (4)
14 Air ripe concoction here? (7)
15 Not as old as when you altered the information to the king (7)
17 The ship goes among the trees to the locks (7)
19 ". . Die, and endow a ——, a cat." (Pope) (7)
20 …ooch causes painful expression (4)
2… …ift the s…ler sho… …er high so protect… …e orig… (5, 5)
2… Smile awkwardly at the colour of the rock (9)
26 Assign every thing to be returned (5)
27 I would reflect with a poem of radio apparatus (5)
28 No centre for allied powers of any form (9)

DOWN

1 Is the doctor the person making the noise? (5)
2 Confectionery as a result of the shock rate (9)
3 O, write to the painter by return and the remainder will be restricted it seems (4, 6)
4 Cry down with the help of dynamite? (7)
5 Make an attempt round the channel with ornamentation (7)
6 Delivered as it is missing from the agreement (4)
7 A soldier with the French is nimble (5)
8 Its teeth should not be inspected (4-5)
13 The people's beer up for auction? (6, 4)
14 The girl turned over, but still went on duty (9)
16 He had "Ninety men and more that are lying sick ashore." (9)
18 Flocks to such institutions (7)
19 The sound of the bell leads the artist to the monster (7)
21 The ornament came to nothing (5)
23 Puts pen to paper without beginning the observances (5)
24 Where the vehicle with fifty leaves the northern town? (4)

SOLUTION TO PUZZLE No. 1,680




# TV Radio

* Indicates programme in black and white.

## BBC 1

*9.38 a.m. For Schools, Colleges. *1.00 p.m. Dyfal Donc. 1.30 The Herbs. 1.45 News. *2.05 For Schools, Colleges. 4.15 Play School. 4.40 Jackanory. 4.55 Ask Aspel. 5.20 The Partridge Family. 5.44 Magic Roundabout.
5.50 News.
6.00 London This Week.
6.20 To-morrow's World.
6.45 The Virginian.
8.00 Under and Over, starring The Bachelors.
8.30 Sound of Laughter.
9.00 Nine O'clock News.
9.20 The Great Debate: the public and leading politicians argue whether Britain should join the Common Market.
9.50 Review: topical arts magazine.
10.40 The Week Ahead on 2.
10.45 News on 2.
10.50 Late Night Line-up.

All Regions as BBC 1 except at the following times:—

Wales—*10.25-10.45 a.m. For Schools. 1.30-1.45 p.m. Ar Lin Mam. 2.25-4.15 Golf: Dunlop Masters' Tournament. *4.55-5.15 Cadi Ha. 5.15-5.20 Adventures of Parsley. *6.00-6.20 Wales To-day. *6.45-7.05 Heddiw. *7.05-7.30 Dyfal Donc. 7.30-8.00 Bachelor Father. *8.30-9.00 Deryn Diarth.

Scotland—*10.25-10.45 a.m. For Scottish Schools. *6.00-6.20 p.m. Reporting Scotland. 8.30-9.00 Look—Mike Yarwood! *11.37 Scottish News Headlines.

Northern Ireland—*6.00-6.20 p.m. Scene Around Six. *8.30-9.00 In Concert: Michael Baguley introduces Veronica Dunne and Paul Mayes. 11.37 Northern Ireland News Headlines.

England—*6.00-6.20 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look North (from Norwich); Po…'s West (from Bristol); Sou… To-day (from Southampton); Spotlight South-West (from …ymouth). *11.37 Regional News …eadlines.

## BBC 2

11.00 a.m. Play School.
7.30 p.m. News.
8.00 The Money Programme: The Week in Washington.
9.00 Gardeners' World.
9.20 The Goodies, starring Tim Brooke-Taylor, Graeme Garden, Bill Oddie with Stanley Baxter and featuring Bernard Bresslaw.

## LONDON

10.20 a.m. and 1.40 p.m. Schools. 2.30 The Christian and Censorship. 3.10 Living Architects. 3.40 Zingalong. *3.55 Who Were the British? 4.25 Skippy. 4.55 Arthur! 5.20 Freewheelers.
5.50 News from ITN.
6.00 To-day.
6.30 I Dream of Jeannie.
7.00 The Sky's The Limit.
7.30 The Persuaders!
8.30 The Fenn Street Gang.
9.00 Kate.
10.00 News at Ten.
10.35 The Marty Feldman Comedy Machine.
11.30 Police Five.
11.35 The Prisoner.
12.30 a.m. Why Do They Do It?

All ITV Regions as London except at the following times:—

## ANGLIA

4.00 p.m. Yoga for Health. *4.25 Anglia Newsroom. 4.30 The Romper Room. 4.50 Voyage to the Bottom of the Sea. 6.00 About Anglia. 6.35 Crossroads. 7.30 Glamour '71. 10.30 The Guardians. 11.30 "The Mummy's Hand" starring Dick Foran and Cecil Kellaway. 12.… a.m. Reflection.

## ATV MIDLANDS

3.10 p.m. Yoga for Health. 3.35 To-morrow's Horoscope. 3.40 Women To-day. 4.10 Julia. 4.40 Zingalong. 4.55 Lost in Space. 6.00 ATV To-day including Sports Report. 6.35 Crossroads. 7.00 The Fenn Street Gang. 8.30 The Odd Couple. 10.30 Late Movie: "The Terror of the Tongs" starring Christopher Lee, Geoffrey Toone and Yvonne Monlaur.

## BORDER

*4.18 p.m. Border News Headlines. 4.12 The Ghost and Mrs. Muir. 4.30 Zingalong. 4.55 Cowboy in Africa. *6.00 Border News and Lookaround. *6.25 Border Sports Review. 6.35 Crossroads. *10.30 Late Night Thriller: "Victim" starring Dirk Bogarde, Sylvia Syms with Dennis Price and Peter McEnery. *12.15 a.m. Border News Summary.

## CHANNEL

3.55 p.m. Puffin's Birthday Greetings. 4.05 Zingalong. 4.20 Gilligan's Island. 4.55 Land of the Giants. 6.00 Channel News and What's on Where. 6.15 Channel Report. 6.35 Crossroads. 10.32 Name of the Game. 12.00 News and weather in French.

## GRAMPIAN

*3.30 p.m. Grampian News Headlines. 3.33 Cartoon Time. 3.40 Zingalong. 3.55 The Rovers. 4.25 Yoga for Health. 4.55 Woobinda. *6.00 Grampian News. 6.10 Win a Word with Lesley Blair. 6.35 Crossroads. 10.30 Cinema. 11.00 Late Night Movie: "Don't Bother to Knock" starring Richard Todd and Nicole Maurey. 12.40 a.m. Evening Prayers.

## GRANADA

3.45 p.m. All Our Yesterdays. 4.10 News followed by *Peyton Place. 4.40 Pippi Longstocking. 5.15 The Adventures of Rupert Bear. 5.30 Grasshoper Island. 6.00 Newsday followed by *Police File. 6.20 The Sky's the Limit. *6.50 "She'll Have to Go" starring Bob Monkhouse, Alfred Marks and Hattie Jacques. 10.30 The Guardians. *11.30 Tension.

## HTV

3.50 p.m. Women Only. 4.15 Tinkertainment. 4.30 Crossroads. 4.55 Voyage to the Bottom of the Sea. 6.01 Report West. 6.18 Report Wales. 6.35 Bonanza. 10.30 The Golddiggers in London. 11.00 The Guardians.

## SCOTTISH

3.30 p.m. Pinpo. 3.45 Crossroads. 4.10 Dateline—Early. 4.55 Skippy. 5.20 Cartoon Cavalcade. 6.00 Dateline—Friday. 6.28 Cartoon. 6.30 The Smith Family. 10.30 In Camera. 11.05 Late Call. *11.10 Don't Watch Alone: "These are the Damned;" starring McDonald Carey and Shirley Ann Field.

## SOUTHERN

3.35 p.m. To-morrow's Horoscope. 3.40 Women To-day. 4.10 Houseparty. 4.23 Christopher Columbus. 4.30 Crossroads. 4.55 Secret Service. 6.00 Day by Day (Channels 10 and 66 only). *6.00 Scene South-East (Channels 10 and 66 only). 6.40 Out of Town. 8.30 The New Dick Van Dyke Show. 8.55 Week-end. 10.30 The Guardians. 11.30 Southern News Extra. 11.40 McQueen.

## TYNE TEES

2.30 p.m. A Chance to Work. 3.15 Pied Piper. *3.20 Katie Stewart Cooks. 3.45 Yoga for Health. 4.10 North East Newsroom. 4.15 Zingalong. 4.30 The Land of the Giants. 5.20 The Flintstones. 6.00 To-day at Six. 6.30 McQueen. 10.30 The Late, Late Movie: "Konga," starring Michael Gough and Margo Johns. 12.15 a.m. Late News Extra including Christian Comment.

## ULSTER

*4.30 p.m. Romper Room. *4.50 Ulster News Headlines. 4.55 Land of the Giants. *6.00 UTV Reports. 6.35 Crossroads. 7.30 Theatre of Stars. *8.20 Cartoon Time. *10.30 Spectrum. *11.00 The Friday Film: "Hot Blood," starring Jane Russell and Cornel Wilde.

## WESTWARD

3.55 p.m. The Gus Honeybun Show. 4.05 Zingalong. 4.20 Westward News Headlines. 4.22 Gilligan's Island. 4.55 Land of the Giants. *6.00 Westward Diary. *6.25 Sports Desk. 6.35 Crossroads. *10.30 Westward Report. 10.52 Westward Late News. 11.02 Name of the Game. 12.20 a.m. Faith for Life.

## YORKSHIRE

*2.30 p.m. A Chance to Work. 3.09 Intermission. *3.15 It's Fun to be Fooled. *3.20 Katie Stewart Cooks. 3.45 Yoga for Health. 4.10 Calendar News. 4.15 Zingalong. 4.30 Land of the Giants. 5.20 The Flintstones. 6.00 Calendar. 6.30 McQueen. *10.30 "The Left-Handed Gun" starring Paul Newman and Lita Milan.

## RADIO 1 247m

Time checks, up-to-the-minute traffic reports and news summaries at 5.30 a.m., 6.00, 6.30, then every hour on the half-hour until 2.30 p.m., 3.00, 3.30, 4.00, 4.30, 5.30, 6.30, 7.00, 8.00, 10.00, 11.00, 12 midnight, 1.00 a.m., 2.00. Weather at 5.32 a.m., 6.02, 6.32, 7.32, 8.32, 5.32 p.m., 6.32, 7.02, 2.02 a.m.
5.30 a.m. As Radio 2. 7.00 Tony Blackburn. 9.00 Johnnie Walker. 10.00 Jimmy Young. 12.00 Radio 1 Club. 2.00 p.m. Tony Blackburn. 3.02 Radio 2. 3.05 Terry Wogan. 5.00 Round Table. 6.00 Sounds of the 70s. 7.03-2.02 a.m. as Radio 2.

## RADIO 2 1,500m: VHF

News summaries at 5.30 a.m., 6.00, 6.30 (VHF and 247m), 7.00, 7.30, 8.00, then every hour on the hour until 3.00 p.m., 3.30, 4.00, 4.30, 5.00, 5.30, 6.00, 6.30, 7.00, 8.00, 10.00, 11.00, 12 midnight, 1.0 a.m., 2.00. Weather at 5.32 a.m., 6.02, 6.32, 7.02, 7.32, 8.02, 9.02, 5.32 p.m., 6.32, 7.02, 2.02 a.m.
5.30 a.m. News. 5.32 Breakfast Special. 6.27 Racing Bulletin. 8.55 Pause For Thought. 9.02 Pete Murray's Open House. 11.02 Morning Story. 11.15 Waggoners' Walk. 11.30 Mrs. Mills and Reginald Dixon say I'm Glad—I'm Reg. 12.02 p.m. Sam Costa puts the Accent on Melody. 12.30 and 1.30: Dunlop Masters Golf Tournament, reports. 2.02 Woman's Hour. 3.02 Golf report. 3.05 Terry Wogan. 4.15 Waggoners' Walk. 4.31 Sports Desk. 4.35 Charlie Chester offers music, letters and stars on disc. 5.32 Golf report. 6.02 Album Time with Brian Matthew. 6.50 Sports Desk. 7.03 Folk on Friday. 7.32 Thanks for the Memory with Hubert Gregg. 8.45 Friday Night is Music Night. 10.02 Late Night Extra. 12.00 Midnight Newsroom. 12.05 a.m. Night Ride. 2.00 News.

## RADIO 3 194m, 464m; VHF

7.00 a.m. News. 7.05 Morning Concert: Mehul, Vivaldi, Mozart, Elgar, d'Indy, Ravel, gramophone records. 9.00 News. 9.05 This Week's Composer: Prokofiev on a gramophone record. 9.50 Chamber Music: Couperin, Kabalevsky, Rameau, Tchaikovsky, Rameau. 10.50 Jazz from Europe. 11.20 Liszt's Transcendental Studies. 12.00 Music of Necessity. 12.20 Mid-day Prom: Weber, Haydn, Brahms. 1.50 Italian Choral Music on gramophone records. 2.40 Violin and Piano Recital: Part 1. Brahms, Beethoven. 3.30 The interval talk 3.50 Recital: Part 2. Brahms, Debussy. 4.20 Pied Piper. 4.40 Orchestral Concert: Ireland, Vaughan Williams, Delius, gramophone records. 5.25 Organ Recital. 6.15 Concert Calendar. 6.25 Programme News and Stock Market Report. 6.30-7.30 Study on 3: The Between-ager: part 12 6.30-7.00 VHF Open University: Open Forum. 7.00 Personality and Power. 7.30 Mozart and Nielsen concert. 8.25 A Durable Fire: The Poetry of Sir Walter Ralegh. 9.20 The Orchestra in the 60's: Boulez gramophone records. 10.25 Elizabeth Harwood sings Strauss, Schumann and Schubert. 11.00 Bach on a gramophone record. 11.30 News Summary.

## RADIO 4 330m: VHF

6.25 a.m. News Summary. 6.27 Farming To-day. 6.45 Prayer for the Day. 6.50 Regional news, weather and preview. 7.00 To-day: magazine, the news. 7.40 To-day's Papers. 7.45 Thought for the Day. 7.50 Regional news, weather and preview. 8.00 News and more of To-day. 8.40 To-day's Papers. 8.45 The Day They Kidnapped Queen Victoria, part 10. 9.00 News. 9.05 For Schools. 9.25 It Takes All Sorts. 9.45 For Schools. 10.15 Daily Service. 10.30-12.00 For Schools. 12.00 Announcements. 12.10 p.m. You and Yours. 12.25 Petticoat Line. 12.55 Weather, preview and News. 1.00 The World at One. 1.30 The Archers. 1.45 Listen with Mother. 2.00-3.00 For Schools. 3.00 Afternoon Theatre. 4.00 Any Answers? 4.30 Story Time. 5.00 PM: News magazine. 5.50 Regional news weather and preview. 6.00 News. 6.15 Forces' Change. 6.45 The Archers. 7.00 News Desk. 7.30 Pick of the Week. 8.30 Any Questions? 9.15 The Road to Europe: Common Market entry debate, part I. 9.59 Weather. 10.00 The World To-night. 10.45 From Samurai to the Ginza, part 5. 11.00 A Book at Bedtime. 11.15 Week ending . . . preview of the week's news. 11.43 News. 11.59 Market trends.

# Racing

## Sharpen Up is best

by DARE WIGAN

AT NEWMARKET yesterday, *Sharpen Up*, a colt by *Atan*, whom Bernard Van Cutsem trains for his wife, Mimi, won the Middle Park Stakes narrowly, but decisively, by a head from *Philip of Spain*. However, it is doubtful whether there was a colt of the calibre of *Brigadier Gerard* in the field.

With a blank day at Newmarket, the only race meeting under Jockey Club Rules this afternoon is at Haydock, where it looks as though horses from Turf Headquarters will capture most of the prizes.

*Sky Fever* and *Bananaquit* go for the Altrincham Plate (2.45), but one who, judged on his best form, would beat most of them is *Desperate Dee*, trained by Jack Calvert at Hambleton in Yorkshire.

He went under by only a head and a neck to *Wishing Star* and *Philip of Spain* in the Gimcrack Stakes at York, and then, just over a fortnight ago, finished a good third to *Waterloo* and *Bold and Free* at the Ayr Western meeting. Indeed, judged on these two performances, he ought to win.

*Herminius* whom Henry Cecil trains for Major L. S. Marler, is a useful young stayer, and he strikes me as being leniently treated with 7st 7 lbs in the Outland Handicap (3.15).

And *Empyrean*, who may have been an unlucky loser of a handicap at Lingfield last month, and who made amends at the next meeting on the Surrey course, is a confident choice for the Preston Handicap (3.45).

Guy Harwood has done consistently well with horses sent North from his stables at Pulborough in Sussex; and *Our Manny*, who has won his last two races at odds of 33-1 and 20-1, carries top weight in the Bryn Nursery Handicap (4.15), though the 9st alotted to him will be reduced to 8 st 9 lbs by Staff Ingham's good apprentice, W. Wilkinson, claiming his allowance.

But the one I like here is *Lea Landing*, a filly by *Meadow Court*, who finished a close third to *Dernier Coup* and *Taluna* over six furlongs here last month.

*Jungle Boy* has been a disappointment to his owner, Mr. Dan Prenn, but I shall be surprised and myself disappointed if he does not win the Knutsford Stakes (4.45).

The North Lancashire Stakes (2.15) may go to Ian Walker's *Hey-Up*, who, though no great shakes, is faced with modest opponents.

2.15—Hey-Up
2.45—Desperate Dee
3.15—Herminius
3.45—Empyrean**
4.15—Lea Landing*
4.45—Jungle Boy***

The market at the Yearling Sales at Newmarket yesterday settled down into a reasonable steady pattern, though as early as 10 o'clock Lady Beaverbrook paid 23,000 gns. for a full brother (by *Pampered King*) to *Czar Alexander*.

About an hour later, the Brook Stud, who regularly command high prices at these sales, obtained a total of 49,100 gns. for five lots, the top price being 17,500 gns. for a grey colt by *Grey Sovereign*.

A personal choice — irrespective of prices—would have been for a bay filly by *Petingo*, out of *Queen of the Troops*, who was knocked down to the Berkshire trainer, Barry Hills, for 7,000 gns.

Later on, Lady Beaverbrook paid 27,000 gns. for a bay filly by *Roan Rocket*, sent by the Milford Stud.

## BR TO SCRAP DOUBLE-DECKER TRAIN

British Rail's only double-decker train is to be taken out of service to-day after 22 years on the busiest lines in Britain.

The eight-coach train, which has always run on the commuter-packed Southern Region lines between London and Dartford, has travelled 700,000 miles and is *due for major overhaul.* Instead, it is to be scrapped and replaced with one of the region's standard ten-coach suburban trains.

# Events

## To-day

COMPANY MEETINGS

CENTRAL AND DISTRICT … TIES, Dorchester Hotel, W., 1… (Chairman, Mr. E. du Cann.)
FITCH LOVELL, Connaught … W.C., 12. (Chairman, Sir Char… Hardie.)
GALLIFORD ESTATES, … House, E.C., 12. (Chairman, … Donaldson.)
HAMPSON INDUSTRIES, Bir… 3.15. (Chairman, Mr. T. H. S…)
MARSTON THOMPSON AND … SHED, Burton-on-Trent, 11.30. (Chair… man, Sir Clifford Gothard.)
PRESS TOOLS, Birmingham, 12. (Chair… man, Mr. M. B. Barber.)
SECOND ALLIANCE TRUST, Du… (Chairman, Mr. D. F. McCorm…)

## Britain's firs… conference f… directors' wi…

WHAT IS believed to be B… first conference designed … sively for directors' wives … held at the Sonesta Towe… in London on November … same day their husbands … attending the annual Insti… Directors' conference a… nearby Albert Hall.

Although the ladies wi… a full programme about t… of the modern directors' … well as the traditional … lunch" with champagne, t… being charged only £5 … compared with the £… husbands have to pay.

The wives' conference, or… by Brooke Bond Oxo a… Good Housekeeping Instit… have as its theme "Top… of 1972." Miss Sheila Sc… be among the speakers, … panel of personalities un… chairmanship of Michael … will discuss trends in livi… the place of women in th… They will also see a … demonstration and a … display.

# Farming and Raw Materials

## Cash tin below £1,400

By John Edwards

CASH TIN fell below £1,400 a metric ton on the London Metal Exchange yesterday for the first time since April 1969 closing £7.5 down on the day at £1,399 a ton.

The fall was attributed to a decline in the Malaysian tin market overnight and the apparent fizzling out of suspected support buying by the buffer stock of the International Tin Agreement. One broker, who was believed to be buying on behalf of the buffer stock, on Wednesday, started selling cash tin yesterday and buying resistance to the downward trend disappeared.

Behind these technical market developments is the basic lack of consumer demand and the confused currency situation. Both consumers and the buffer stock manager are in a difficult situation about buying at a time when a new valuation of international exchange rates—such as the revaluation of sterling—could alter the whole structure of the present Tin Agreement market ranges.

## Guyana bauxite sales switch confirmed

By Our Commodities Staff

MR. PATTERSON THOMPSON, Guyana Bauxite chairman, confirmed in Georgetown yesterday that Philipp Bros., of Switzerland, had been appointed exclusive worldwide marketing agents from January 1, 1972.

Mr. Thompson said that in spite of the present depression in the alumina market, he was reasonably sure of Guyana's output being sold at prices that would ensure profitable production. Marketing surveys were being launched immediately to decide about the early expansion of calcined bauxite production.

At present Guyana Bauxite—the company formed to take over the assets of Alcan's Demerara Bauxite nationalised earlier this year—produces over 4m. tons of bauxite and alumina.

One of the provisions of the contract with Philipp Bros., a subsidiary of the Engelhard-Anglo American group, is a ban on sales to South Africa, Rhodesia and Portugal.

# Sisal prices cut in bid to stay competitive

BY GODFREY BROWN

SISAL producers in East Africa, the world's major producing area, are making a strong bid to recapture their place in the world market, lost by default in the past few months to Brazil, the second largest producer. This was the explanation by London traders yesterday for the recent substantial reductions in East African sisal prices.

The main "bread and butter" grade, No. 3 Long, was reduced this week by £8 to £68 a metric ton, making a total price cut of £14 in the last fortnight. The UG (rejects) grade is now at £62, £6 down on the week making a £14 drop in the past two weeks.

These price reductions are intended to bring East African sisal into line with the prices being charged by Brazil, which in the last few months has been notching up sales of substantial quantities, while because of its higher asking prices, East African material has stayed unbought.

### Vast gap

East African sisal is traditionally at a premium to that from Brazil, because its quality and colour is better. But while buyers are prepared to pay possibly £4-£5 more for East African supplies, the vast gap that has existed up to now has been too much for buyers to contemplate. While East African UG grade was being quoted at £76 a ton, Brazilian type 3 sisal was available at £58-£59. Now, UG has been reduced to £62 and is much more competitive.

Brazil is able to undercut East African sisal because the production systems in the two areas are completely different: estates and plantations with known costs in East Africa, peasant-type production sold by merchants virtually irrespective of production costs in Brazil.

Brazil's cut-price policy has paid off in terms of taking up much of the demand for the last quarter of this year and the first quarter of 1972—the traditional period of peak purchasing. This is because agricultural twine for balers and binders is its main usage; production tends to take place mainly in the winter months and is sold to farmers for use in the summer.

Time is already running short if the East African producers—Tanzania and Kenya—are to make up the lost ground. Another spur which has prompted their price reductions has been the fear that Brazil would not stop selling once it had filled its export quota of 155,000 tons under the somewhat vestigial pact that still exists to cover world trade in sisal. Indeed, some of the Africans believe Brazil has already overstepped its quota, though this is apparently not supported by other sources' figures.

### Substantial sales

In some traders' eyes, the African move has shown that they want to be fully competitive and that they have, as one put it, "put the goods in the shop window at the right price." It is expected to result in substantial sales of East African sisal in the coming months.

Sisal production in East Africa has recovered fairly well from the droughts of the earlier part of the year, in terms of tonnage, though since a lot of water is needed to produce the higher grades there is still a question mark over this aspect. There has also been a severe drought in the sisal growing area of North-East Brazil, which has brought the Bahia area into greater prominence. These factors could help to cause a turn-round in prices if demand picks up in a big way.

# Cocoa pact talks 'inconclusive'

BY DAVID EGLI

GENEVA, Sept. 30.

THE round of consultations here between major cocoa producers and consumers appears likely to end inconclusively to-morrow. But discussions may resume again in November in a further attempt to reach the degree of agreement necessary to justify the convening, early next year, of a negotiating conference.

The consultations were never expected to produce clear-cut decisions, but hopes for the possibility of an ultimate agreement were raised by the fact that the producers, at least, had succeeded—with the incentive of the present low cocoa prices—in working out a common approach. It appears that this unity has held together over the last 10 days, but attempts to bring about a meeting of minds with the consumers has proved extremely difficult.

The nature of the consultations compound the problems since, neither group nor any of the individual countries wishes at this early stage to show its hand in what could be considered a firm negotiating position.

But, reportedly, there has been a confrontation over the effective minimum cocoa price under an agreement. It appears that the U.S. is thinking in terms of around 20 cents per lb. while producers would want a base price at least 15 per cent. higher.

There have also been difficulties concerning the practical details of quotas, redistribution of quotas, control of exports, purchases and sales by the buffer stock and other matters.

The decision to convene a negotiating conference rests with Unctad, and it is clear that great efforts are being made to make progress.

# Spanish citrus optimism

BY OUR OWN CORRESPONDENT

MADRID, Sept. 30.

ABOUT 2.3m. tons is the latest official forecast for this season's Spanish citrus crop, as against a forecast of 2.37m. tons made at this time last year. Local experts are more optimistic and believe that recent rain and chilly weather have improved the quality and quantity of the expected crop to at least 2.4m. tons.

Traders have warned, however, that the "tristeza" disease in many orange groves on the Spanish Levante coast may cause serious production losses. A Fruit Syndicate spokesman has pointed out that the 2.37m. tons forecast made at this time last year had to be revised downwards a few months later when heavy frosts spoiled several hundred thousand tons of oranges.

Unofficial sources of information indicate that Spain wants to achieve a 1.5m. tons citrus export figure this year provided, of course, that the calculations are not upset by adverse weather conditions. At the same time the Spanish exporters expect increasing competition on foreign markets in the wake of the devaluation of the Israeli pound last August.

According to the National Citrus Board, about 34 per cent. of this season's 2.3m. tons citrus crop forecast are navel oranges, followed by 15.3 per cent. blood oranges, 9.5 per cent. mandarines and satsumas and about 6.8 per cent. verna oranges. The citrus growers have asked the central administration to purchase surplus production in order to maintain prices on the home market.

### BUMPER CHINESE GRAIN HARVEST

HONG KONG, Sept. 30.

China is heading for a bumper grain harvest for the 10th successive year, Peking Radio reported to-day. It said the early rice and summer crops had been "very good" and a successful autumn grain harvest was expected.
Reuter.

# Silver falls to new 4-year low

By Our Commodities Staff

SILVER values in London touched new lows yesterday with the bullion spot price marked down by 0.7p to 55.4p an ounce—the lowest point since May, 1967. Further selling by speculators following the downward trend in New York overnight was the main cause of the decline. London values fell below 55p at one stage, before rallying back to the fixing levels in later dealings.

The immediate outlook for holders and producers of silver is rather bleak, according to London bullion brokers, Samuel Montagu, in their monthly report out yesterday. Pointing out that consumers and speculators are not yet buying since there are no definite signs of a quick economic recovery, the company warns that the possibility of further falls due to speculative liquidation can by no means be ruled out.

In contrast to the gloomy conditions in the tin and silver markets, London Metal Exchange values for zinc jumped sharply yesterday with cash zinc closing £4 up on the day at £124.625 a metric ton.

The upsurge was attributed to heavy buying by consumers, who evidently have decided that at just over £120 a ton LME zinc is extremely cheap compared with the official producer price of £150. Lead and copper values also gained ground on better consumer buying interest.

## Iceland fish ban 'disaster consequences'

By Our Commodities Staff

THERE would be "disastrous consequences" for the British distant water fishing fleet if Iceland's proposal to extend its fishing limits to 50 miles before September next year is carried out, the White Fish Authority said yesterday.

In a leading article in its quarterly Fish Industry Review, published yesterday, it says that whether or not the stocks at the Iceland ground are, as the Icelandic Government suggests, in grave danger through over-fishing, "it surely is not beyond the wisdom of statesmen in Iceland and the other countries affected by the proposed extension to reach agreement on the appropriate measures of resource management, without denying access to those who depend as much on this fishing as does any Icelander."

### FARM AWARD FOR MILK CHIEF

Sir Richard Trehane, Milk Marketing Board chairman, is 1971 winner of the Massey-Ferguson national award for services to U.K. agriculture.

The award is in recognition of Sir Richard's "outstanding services to dairying."

SUGAR BEET HARVEST

# Happy year for some growers

BY DAVID RICHARDSON

MOST OF the British Sugar Corporation's 17 English factories started slicing their share of the 1971 crop of sugar beet during the past week. Early estimates of yields and sugar content, based on the Corporation's field samples over the eight weeks preceding the beginning of the campaign, led to predictions that this year's crop could beat the record of 7.2m. tons set in 1960, and touched again in 1968. But the almost drought conditions in the sugar beet growing areas during the first three weeks of September almost halted growth, and current estimates are a little more cautious. Nevertheless, there is every promise of better than average yields and sugars.

Last week BSC fieldsmen recorded average individual root weights of 697 grammes—63 grammes up on the same week last year, and sugars were averaging 16.6 per cent.—0.32 per cent. up. Taken together these figures mean that whereas in 1970 an average root contained 103 grammes of sugar, this year actual sugar is up 6 grammes per root.

### Clean roots

My own beet is delivered to Cantley factory in Norfolk, the first built and one of the biggest run by the BSC. Deliveries started there last Monday, and previous estimates of sugar percentage and root size were confirmed during the week. Particularly pleasing, according to Raymond Bond, the agriculturalist there, was the cleanness of the beet, and root sizes were very good for so early in the season. And although in years past there has often been a shortage of beet for the factory to process in the first few days of the season, it was evident that the vast majority of growers had started lifting and were delivering.

Farmers' usual reluctance to lift early is based on the fact that, if left in the ground, the crop would continue to grow, and probably increase in weight by up to two tons per acre by the end of October, and immature beet lifted in warm conditions will not keep in a clamp.

These problems remain, but a number of factors, some seemingly unconnected with sugar beet, have come together this year to alter growers' priorities. The expected increased tonnages have already prompted the BSC to say that it expects the campaign to last at least four months, and no one likes beet hanging around on the farm until the end of January.

Potato prices are so bad that many farmers who also grow beet, and who normally sell potatoes straight from the field, have decided to stop lifting in the hope that prices will rise later. This has released extra labour to work on sugar beet.

The grain market is also in the doldrums, and while most growers are determined not to under-sell their grain on a glutted and disinterested market, they must get some cash from somewhere, and the prospect of a cheque on October 12 for beet delivered in September, has a desperate attraction.

Finally, in spite of its disappointing price at present, winter wheat yielded so much better than spring barley in Norfolk again this year that the necessity to grow the biggest possible acreage of it has been reinforced. Sugar beet provides an ideal entry for wheat, provided fields can be cleared of roots, ploughed and drilled by the end of October and perhaps this more than any other reason made farmers including myself begin lifting a fortnight ago in hard, dry unsatisfactory soil conditions, though they improved immensely after last week-end's rain.

And so I find myself in the almost unique situation of being a moderately happy sugar beet grower. But not all growers are so content. Scotland's only factory at Cupar will just be starting to process its last crop of sugar beet. After this season the factory is being closed. Predictably the decision has caused uproar from Scotland's growers, but the BSC asserts that this has been largely unjustified. Their reasons for closing are, the that they have found it [illegible]sible to find sufficient c[illegible] acres to run the factor[illegible] ciently.

The closure can also b[illegible] as part of a long-term p[illegible] rationalise U.K. sugar proc[illegible] at fewer, but bigger, fac[illegible] Selby is already schedul[illegible] closure after the 1973 seas[illegible] acreage going to York, and thought that Newark or N[illegible]ham may be the next to g[illegible] the other hand Wissing[illegible] Norfolk is the latest to un[illegible] reconstruction costing £5½m. when it opens on Mond[illegible] should have a 7,000-ton capacity making it the biggest.

### Overheads

It seems a little strange [illegible]fore that the National Far[illegible] Union should choose this t[illegible] invite its members in arable [illegible] all over the country to [illegible] how many sugar beet they [illegible] like to grow should there [illegible] limited expansion of a[illegible] This is obviously associat[illegible] potential Common Marke[illegible]bership. But it seems u[illegible] when the Commonwealth Agreement expires in 19[illegible] British farmers will be[illegible] to grow beet to replace [illegible] of the Australian [illegible] 335,000 tons. And, eve[illegible] were, the increase of a[illegible] third on present U.K. [illegible] would almost certainly [illegible] in established beet grow[illegible] Most experienced [illegible] would welcome the oppor[illegible] to increase their acreage a[illegible] so doing reduce their mach[illegible] overheads, and the BSC w[illegible] have no difficulty.

They might have difficulty [illegible] the other hand in finding additional capital needed for more processing capacity. [illegible] rumour has it that £30m. [illegible] already been provision[illegible] budgeted for this.

Under the circumstan[illegible] therefore, for the NFU to b[illegible] up hopes of beet contracts [illegible] areas which are far from pre[illegible] factories seems pointless and a little irresponsible.

# Rise projected in world farm output

WORLD agricultural production and demand are projected to increase by more than one-quarter between 1970 and 1980 with the gain in the rate of expansion concentrated in the developing world.

According to a 736-page study, "agricultural commodity projections, 1970-80," carried out by the UN Food and Agriculture Organisation, world agricultural production is expected to rise by 28 per cent. and agricultural demand by 26 per cent. between 1970 and 1980.

But the absolute number of people short of food at the end of this decade may be much the same as to-day, the study reports.

"Given the existence of unequal—and sometimes very unequal—distribution of incomes and hence of food, problems of undernourishment will exist in some 42 countries . . . although with presently available information, a reliable estimate of the numbers of people affected cannot be made," the study explains.

The rate of expansio[illegible] agricultural production [illegible] the 1970s is projected to [illegible] per cent per year, slightly [illegible] than the 2.7 per cent. a[illegible] recorded during the p[illegible] decade because a re[illegible] sharp fall in the rate of [illegible]sion is expected for high[illegible] countries.

By contrast, an accelera[illegible] total agricultural productio[illegible] 2.9 to 3.3 per cent. a[illegible] projected for the deve[illegible] countries as a whole.

# COMMODITY MARKET REPORTS AND PRICES

## BASE METALS

COPPER—Turned upwards on the London Metal Exchange. Following the better trend overnight in the U.S., prices opened higher here and held steady in more active trading than of late. Fair consumer inquiry and continued Chinese interest were reported. The U.S. market made another firm showing in the afternoon following apprehension as to the possibility of a dock strike on the east coast adding to the one already in progress on the west coast. Prices moved correspondingly higher here with forward metal touching £421 at one stage before reacting under profit-taking to close at £418½ on the late Kerb. Turnover 14,550 metric tons.

Henry Gardner and Co. reported that in the morning, cash wirebars traded at £407.5, £406.5, £407, £407.5, £407, £406.5, early-Oct. £407, mid-Oct. £407, £409, early-Nov. £411, three months £416, £415.5, 15, 15.5, 16. Kerb: Cash £406.5, £407, £407.5, three months £415.5, £416, £416.5. Cathodes: cash £396, early-Oct. £395, three months £404, £404.5. Kerb: Cathodes: cash £396, three months £405. Afternoon: Wirebars: cash £408.5, £409, £412, three months £416.5, £417 to £420.5. Kerb: Cash £412, £411, early-Oct. £411, three months £420, 21 to 18, 18.5. Cathodes: cash £401. Kerb: late-Oct. £403, three months £408, £409.

| COPPER | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Wirebars | | | | |
| Cash | 406.5-7 | +.5 | 411.5-2 | +5 |
| 3 months | 415.5-6 | +.5 | 419.5-20 | +5 |
| Settlem't | 407 | +.5 | — | ...... |
| Cathodes | | | | |
| Cash | 395.5-6 | +.25 | 400-1 | +5.5 |
| 3 months | 404-.5 | ...... | 408-9 | +4.5 |
| Settlem't | 396 | ...... | — | ...... |
| U.S.Smt | — | ...... | 52.75-55 | ...... |

TIN—Lost ground. Disappointment with the overnight fall in Penang, where prices dropped below the previous level at which the buffer stock manager was believed to have supported the market, caused a downturn in prices here. Turnover, 695 tons.

Morning: cash £1,407 to £1,399, three months £1,408 to £1,411 to £1,407. Kerb: three months £1,403. Afternoon: cash £1,399, £1,400, early-Dec. £1,402, three months £1,408, 07. Kerb: cash £1,398, three months £1,403, 07.

| TIN | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 1398-9 | —10 | 1399-1400 | —7.5 |
| 3 months | 1406-7 | —11 | 1407-8 | —8 |
| S'ment | 1399 | —10 | — | ...... |
| Straits E. | 1434.67 | —6.56 | — | ...... |
| New York | — | ...... | *167.75 | +1½ |

LEAD—Firmer. Prices moved ahead influenced by the better tone in both zinc and copper while increased consumer demand was also reported. Turnover, 4,875 metric tons.

Morning: cash £91.5, £91, £91.25, three months £93.75, £94, £94.25, £94. Afternoon: three months £94, £94.25. Kerb: three months £94.5, £95.5.

| LEAD | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 91-.25 | +.75 | 91-.5 | +.75 |
| 3 months | 93.75-4 | +.625 | 94-.5 | +1 |
| S'ment | 91.25 | +.75 | — | ...... |
| N.Y. Spot | — | ...... | *14-14½ | ...... |

ZINC—Sharply higher. The return of both London and Continental consumer buying on thoughts that the market was looking oversold brought out bear covering and prices moved steadily higher throughout the day. Forward metal traded at £128 on the late Kerb. No buying was suspected on behalf of producers. Turnover, 6,450 tons.

Morning: cash £124.5, three months £126.5, £127, £126.75, £126 to £127.5, £127.25. Kerb: three months £127.75. Afternoon: cash £124.75, three months £127.5, £127.75. Kerb: three months £125.75, £1[illegible].5.

| ZINC | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 124.25-.5 | +4 | 124.5-.75 | +4 |
| 3 months | 127.25-.5 | +4 | 127.75-8 | +4.25 |
| S'ment | 124.5 | +4 | — | ...... |
| E St. Louis | — | ...... | 17.00 | ...... |

* Cents per lb. † On previous unofficial close.

## SILVER

Silver fell 0.7p an ounce to 55.4p (137.6c) at the London bullion market fixing, reaching its lowest level since May 1967. But forward premiums widened slightly. A moderate business was done, with the spot price recovering about 0.1p by the close.

| SILVER (per troy oz.) | Bullion fixing (selling) prices | + or — | LME close | + or — |
|---|---|---|---|---|
| Spot | 55.4p | —0.7 | 55.55p | —0.15 |
| 3 months | 56.3p | —0.6 | 56.45p | —0.5 |
| 6 months | 57.2p | —0.6 | — | ...... |
| 7 months | — | ...... | 58.0p | —0.25 |
| 12 months | 59.2p | —0.6 | | ...... |

LME—Turnover 150 (75) lots of 10,000 ozs. Morning: Cash 55.5p, 55.7p, 55.8p, 54.9p, three months 56.5p, 56.4p, 56.0p, 55.9p, 55.8p. Kerb: Three months 55.9p, 55.9p. Afternoon: Cash 55.5p, three months 56.3p, 56.4p, 56.5p. Kerb: Three months 56.6p.

## COCONUT OIL

Quiet and untraded, reports G. W. Joynson. Close: Nov.-Jan., March, May, July-Sept., Nos £109-£119 (same). Turnover 0 (0) lots of 20 tons each. Price basis ex-tank Rotterdam.

## COTTON

LONDON FUTURES—Unchanged, reports Eccles and Stern. Oct., Dec., March and May 30.40-30.50 new pence per kilo (unchanged). July unquoted. Turnover 0 (0) lots of 10,000 kilos each. Strict middling 1 1/16 inch. Pressley 76.0 [illegible] lbs.

LIVERPOOL—Spot and shipment sales amounted to 999 metric tons, bringing the total for the week to 5,329 tons, reports F. W. Tattersall. Further substantial trading continued in Sudan, Egyptian and Middle Eastern growths. Support was also forthcoming in new crop American with forward interest predominating.

## COCOA

The decline halted in active and nervous conditions and prices showed net gains at the end of a day in which consumer offtake and short-covering brought in good terminal buying, reports Gill and Duffus.

| COCOA | Yesterday's Close | + or — | Business Done |
|---|---|---|---|
| No2Contract | | | |
| September | — | ...... | 196.5-200.0 |
| December | 209.0-9.5 | +4.0 | 203.5-10.0 |
| March | 212.5-3.0 | +3.5 | 207.5-14.0 |
| May | 215.5-6.0 | +3.5 | 210.0-17.0 |
| July | 219.0-9.5 | +4.0 | 213.5-20.0 |
| September | 222.5-3.0 | +4.0 | 217.0-22.5 |
| December | 227.5-8.0 | +4.0 | 223.0-7.5 |

Sales: 6,574 (10,094) lots of 5 tons each.

## COFFEE

Near Sept. was sold down to £467 during last-minute liquidation, £21.5 per ton below the day's highs. Once the spot month expired, the market held quietly steady.

| COFFEE | Yesterday's Close | + or — | Business Done |
|---|---|---|---|
| | £ per ton | | |
| September | — | ...... | 587.0-8.5 |
| November | 357.0-7.5 | ...... | 357.0-8.5 |
| January | 353.0-3.5 | —0.5 | 353.5-4.5 |
| March | 349.5-50.0 | —0.5 | 350.0-.5 |
| May | 347.0-7.5 | —1.0 | 347.5 |
| July | 345.0-5.5 | —0.5 | 346.5 |
| September | 342.0-3.0 | —0.75 | 343.0-3.5 |

Sales: 301 (203) lots of 5 tons each.

Latest published ICO indicator prices U.S. cents per pound. Colombian Mild Arabicas 47.25 (same). Other Milds 42.63 (same). Unwashed Arabicas 42.20 (same). Robustas 41.75 (same). Daily average 43.06 (same).

## RUBBER

LOWER at the opening, was neglected throughout the day and closed on a quiet note. Lewis and Peat reported a godown price of 97.50 Malayan cents a kilo (buyer, October).

| Contract | Previous Day's Business | 12.45 p.m. Official prices | Closing buyers' prices | Rise or fall |
|---|---|---|---|---|
| C.I.F. | p | p | p | p |
| Oct. | not avail. | 13.3-.6 | 13.5* | —0.2 |
| Nov. | not avail. | 13.45-.7 | 13.45 | —0.15 |
| Dec. | not avail. | 13.65-.9 | 13.65 | —0.15 |
| Landed | | | | |
| Spot | — | 14.0*-.8 | 14.0* | —0.1 |
| Nov. | — | 14.6-.9 | 14.6 | —0.15 |
| Dec. | — | 14.9-15.2 | 14.9 | —0.15 |
| Jan. | — | 15.2-.45 | 15.2 | —0.15 |
| Jan.-Mar. | 15.65 | 15.5-.65 | 15.5 | —0.15 |
| Apr.-Jne. | — | 16.2-.35 | 16.2 | —0.15 |
| July-Sept. | 17.05 | 16.8-.95 | 16.8 | —0.2 |
| Oct.-Dec. | 17.6 | 17.4-.5 | 17.4 | —0.15 |
| Jan.-Mar. | 18.0 | 17.8-.9 | 17.8 | —0.1 |
| Apr.-Jne. | 18.3 | 18.1-.2 | 18.1 | —0.1 |
| July-Sept. | — | 18.4-.6 | 18.4 | —0.15 |
| Oct.-Dec. | — | 18.7-.9 | 18.7 | —0.15 |
| Jan.-Mar. | — | 18.9-19.15 | 19.9 | —0.15 |

* Nominal.

Malayan thick crepe Oct. 19.25 (sellers), Ceylon thick crepe Oct. 19.05 (sellers).

## FREIGHTS

DRY CARGO—A slight improvement was evident in the volume of activity with grain cargoes fixed from the St. Lawrence to Valencia at $8.25 f.i.o. for Oct. and from the same loading area to La Guaira at $9.20 free discharge for Nov. Grain cargoes were also covered from Toledo to Denmark at $6.25 f.d. for Oct. and from Thunder Bay to Germany at $6.75 f.i.o. for Oct. A barley cargo from the St. Lawrence to Belfast paid $[illegible] f.d. for Oct. In the coal section, business developed from Roberts Bank to Japan at $[illegible] f.i.o. for Oct. while other shippers arranged a cargo from Poland to Colombo at $[illegible] for Nov.

OIL TANKERS—Inactive with no important fixtures reported in the Persian Gulf. Total [illegible] the market for a [illegible] from Persian Gulf to Far East from October 10-15 but no fixture was reported. American charterers [illegible] [illegible] for inter-Mediterranean trading at W.[illegible] while Petrofina arranged a [illegible] also for [illegible] Mediterranean voyage on October 7-10, at W.[illegible].

## SOYABEAN OIL

Quiet, untraded, reports G. W. Joynson.

[illegible]

## SUGAR

LONDON DAILY PRICE—[illegible]

[illegible]

## SUNFLOWER OIL

Quiet and unchanged, reports G. W. Joynson.

[illegible]

## GRAINS

[illegible]

## JUTE

[illegible]

## WOOL FUTURES

[illegible]

## MEAT/VEGETABLES

[illegible]

## PRICE CHANGES

Prices per ton unless otherwise stated.

[illegible]

## INDICES

### FINANCIAL TIMES

[illegible]

### REUTER'S

[illegible]

### DOW JONES

[illegible]

### MOODY'S

[illegible]

## U.S. Markets

NEW YORK, Sept. [illegible]

COCOA rallied on short-covering [illegible] recent dramatic falls. Trade touched off stop-loss firming sugar. [illegible]

# Farming and Raw Materials

## Cash tin below £1,400

By John Edwards

CASH TIN fell below £1,400 a metric ton on the London Metal Exchange yesterday for the first time since April 1969 closing £7.5 down on the day at £1,399 a ton.

The fall was attributed to a decline in the Malaysian tin market overnight and the apparent fizzling out of suspected support buying by the buffer stock of the International Tin Agreement. One broker, who was believed to be buying on behalf of the buffer stock, on Wednesday, started selling cash tin yesterday and buying resistance to the downward trend disappeared.

Behind these technical market developments is the basic lack of consumer demand and the confused currency situation. Both consumers and the buffer stock manager are in a difficult situation about buying at a time when a new valuation of international exchange rates—such as the revaluation of sterling—could alter the whole structure of the present Tin Agreement market ranges.

## Sisal prices cut in bid to stay competitive

BY GODFREY BROWN

SISAL producers in East Africa, the world's major producing area, are making a strong bid to recapture their place in the world market, lost by default in the past few months to Brazil, the second largest producer. This was the explanation by London traders yesterday for the recent substantial reductions in East African sisal prices.

The main "bread and butter" grade, No. 3 Long, was reduced this week by £8 to £68 a metric ton, making a total price cut of £14 in the last fortnight. The UG (rejects) grade is now at £62, £6 down on the week making a £14 drop in the past two weeks.

These price reductions are intended to bring East African sisal into line with the prices being charged by Brazil, which in the last few months has been notching up sales of substantial quantities, while because of its higher asking prices, East African material has stayed unbought.

### Vast gap

East African sisal is traditionally at a premium to that from Brazil, because its quality and colour is better. But while buyers are prepared to pay possibly £4-£5 more for East African supplies, the vast gap that has existed up to now has been too much for buyers to contemplate. While East African UG grade was being quoted at £76 a ton, Brazilian type 3 sisal was available at £58-£59. Now, UG has been reduced to £62 and is much more competitive.

Brazil is able to undercut East African sisal because the production systems in the two areas are completely different: estates and plantations with known costs in East Africa, peasant-type production sold by merchants virtually irrespective of production costs in Brazil.

Brazil's cut-price policy has paid off in terms of taking up much of the demand for the last quarter of this year and the first quarter of 1972—the traditional period of peak purchasing. This is because agricultural twine for balers and binders is its main usage; production tends to take place mainly in the winter months and is sold to farmers for use in the summer.

Time is already running short if the East African producers—Tanzania and Kenya—are to make up the lost ground. Another spur which has prompted their price reductions has been the fear that Brazil would not stop selling once it had filled its export quota of 155,000 tons under the somewhat vestigial pact that still exists to cover world trade in sisal. Indeed, some of the Africans believe Brazil has already overstepped its quota, though this is apparently not supported by other sources' figures.

### Substantial sales

In some traders' eyes, the African move has shown that they want to be fully competitive and that they have, as one put it, "put the goods in the shop window at the right price." It is expected to result in substantial sales of East African sisal in the coming months.

Sisal production in East Africa has recovered fairly well from the droughts of the earlier part of the year, in terms of tonnage, though since a lot of water is needed to produce the higher grades there is still a question mark over this aspect. There has also been a severe drought in the sisal growing area of North-East Brazil, which has brought the Bahia area into greater prominence. These factors could help to cause a turn-round in prices if demand picks up in a big way.

## Silver falls to new 4-year low

By Our Commodities Staff

SILVER values in London touched new lows yesterday with the bullion spot price marked down by 0.7p to 55.4p an ounce—the lowest point since May, 1967. Further selling by speculators following the downward trend in New York overnight was the main cause of the decline. London values fell below 55p at one stage, before rallying back to the fixing levels in later dealings.

The immediate outlook for holders and producers of silver is rather bleak, according to London bullion brokers, Samuel Montagu, in their monthly report out yesterday. Pointing out that consumers and speculators are not yet buying since there are no definite signs of a quick economic recovery, the company warns that the possibility of further falls due to speculative liquidation can by no means be ruled out.

In contrast to the gloomy conditions in the tin and silver markets, London Metal Exchange values for zinc jumped sharply yesterday with cash zinc closing £4 up on the day at £124.625 a metric ton.

The upsurge was attributed to heavy buying by consumers, who evidently have decided that at just over £120 a ton LME zinc is extremely cheap compared with the official producer price of £150. Lead and copper values also gained ground on better consumer buying interest.

SUGAR BEET HARVEST

## Happy year for some growers

BY DAVID RICHARDSON

MOST OF the British Sugar Corporation's 17 English factories started slicing their share of the 1971 crop of sugar beet during the past week. Early estimates of yields and sugar content, based on the Corporation's field samples over the eight weeks preceding the beginning of the campaign, led to predictions that this year's crop could beat the record of 7.2m. tons set in 1960, and touched again in 1968. But the almost drought conditions in the sugar beet growing areas during the first three weeks of September almost halted growth, and current estimates are a little more cautious. Nevertheless, there is every promise of better than average yields and sugars.

Last week BSC fieldsmen recorded average individual root weights of 697 grammes—63 grammes up on the same week last year, and sugars were averaging 16.6 per cent.—0.32 per cent. up. Taken together these figures mean that whereas in 1970 an average root contained 103 grammes of sugar, this year actual sugar is up 6 grammes per root.

### Clean roots

My own beet is delivered to Cantley factory in Norfolk, the first built and one of the biggest run by the BSC. Deliveries started there last Monday, and previous estimates of sugar percentage and root size were confirmed during the week. Particularly pleasing, according to Raymond Bond, the agriculturalist there, was the cleanness of the beet, and root sizes were very good for so early in the season. And although in years past there has often been a shortage of beet for the factory to process in the first few days of the season, it was evident that the vast majority of growers had started lifting and were delivering.

Farmers' usual reluctance to lift early is based on the fact that, if left in the ground, the crop would continue to grow, and probably increase in weight by up to two tons per acre by the end of October, and immature beet, lifted in warm conditions will not keep in a clamp.

These problems remain, but a number of factors, some seemingly unconnected with sugar beet have come together this year to alter growers' priorities. The expected increased tonnages have already prompted the BSC to say that it expects the campaign to last at least four months, and no one likes beet hanging around on the farm until the end of January.

Potato prices are so bad that many farmers who also grow beet, and who normally sell potatoes straight from the field, have decided to stop lifting in the hope that prices will rise later. This has released extra labour to work on sugar beet.

The grain market is also in the doldrums, and while most growers are determined not to under-sell their grain on a glutted and disinterested market, they must get some cash from somewhere, and the prospect of a cheque on October 12 for beet, delivered in September, has a desperate attraction.

Finally, in spite of its disappointing price at present, winter wheat yielded so much better than spring barley in Norfolk again this year that the necessity to grow the biggest possible acreage of it has been reinforced. Sugar beet provides an ideal entry for wheat, provided fields can be cleared of roots, ploughed and drilled by the end of October and perhaps this more than any other reason made farmers including myself begin lifting a fortnight ago in hard, dry unsatisfactory soil conditions, though they improved immensely after last week-end's rain.

And so I find myself in the almost unique situation of being a moderately happy sugar beet grower. But not all growers are so content. Scotland's only factory at Cupar will just be starting to process its last crop of sugar beet. After this season the factory is being closed. Predictably the decision has caused uproar from Scotland's growers, but the BSC asserts that this has been largely unjustified. Their reasons for closing are, that they have found it sible to find sufficient acres to run the facto ciently.

The closure can also as part of a long-term rationalise U.K. sugar pr at fewer, but bigger, f Selby is already schedu closure after the 1973 se acreage going to York, thought that Newark or ham may be the next to the other hand Wissin Norfolk is the latest to reconstruction costing £5 when it opens on Mo should have a 7,000- capacity making it th biggest.

### Overheads

It seems a little stran fore that the National Union should choose th invite its members in ar all over the country how many sugar beet tl like to grow should the limited expansion of This is obviously assoc potential Common Ma bership. But it seems when the Commonwea Agreement expires in British farmers will t to grow beet to replace of the Australian 335,000 tons. And, ev were, the increase of third on present U.I would almost certainly in established beet gro Most experienced would welcome the c to increase their acre so doing reduce their overheads, and the I have no difficulty

They might have d the other hand in f additional capital nec more processing capa rumour has it that already been p budgeted for this

Under the circ therefore, for the NF up hopes of beet c areas which are far fr factories seems pointl a little irresponsible.

## Cocoa pact talks 'inconclusive'

BY DAVID EGLI

GENEVA, Sept. 30.

THE round of consultations here between major cocoa producers and consumers appears likely to end inconclusively to-morrow. But discussions may resume again in November in a further attempt to reach the degree of agreement necessary to justify the convening, early next year, of a negotiating conference.

The consultations were never expected to produce clear-cut decisions, but hopes for the possibility of an ultimate agreement were raised by the fact that the producers, at least, had succeeded—with the incentive of the present low cocoa prices—in working out a common approach. It appears that this unity has held together over the last 10 days, but attempts to bring about a meeting of minds with the consumers has proved extremely difficult.

The nature of the consultations compound the problems since, neither group nor any of the individual countries wishes at this early stage to show its hand in what could be considered a firm negotiating position.

But, reportedly, there has been a confrontation over the effective minimum cocoa price under an agreement. It appears that the U.S. is thinking in terms of around 20 cents per lb. while producers would want a base price at least 15 per cent. higher.

There have also been difficulties concerning the practical details of quotas, redistribution of quotas, control of exports, purchases and sales by the buffer stock and other matters.

The decision to convene a negotiating conference rests with Unctad, and it is clear that great efforts are being made to make progress.

## Guyana bauxite sales switch confirmed

By Our Commodities Staff

MR. PATTERSON THOMPSON, Guyana Bauxite chairman, confirmed in Georgetown yesterday that Philipp Bros., of Switzerland, had been appointed exclusive worldwide marketing agents from January 1, 1972.

Mr. Thompson said that in spite of the present depression in the alumina market, he was reasonably sure of Guyana's output being sold at prices that would ensure profitable production. Marketing surveys were being launched immediately to decide about the early expansion of calcined bauxite production.

At present Guyana Bauxite—the company formed to take over the assets of Alcan's Demerara Bauxite nationalised earlier this year—produces over 4m. tons of bauxite and alumina.

One of the provisions of the contract with Philipp Bros., a subsidiary of the Engelhard-Anglo American group, is a ban on sales to South Africa, Rhodesia and Portugal.

## Spanish citrus optimism

BY OUR OWN CORRESPONDENT

MADRID, Sept. 30.

ABOUT 2.3m. tons is the latest official forecast for this season's Spanish citrus crop, as against a forecast of 2.37m. tons made at this time last year. Local experts are more optimistic and believe that recent rain and chilly weather have improved the quality and quantity of the expected crop to at least 2.4m. tons.

Traders have warned, however, that the "tristeza" disease in many orange groves on the Spanish Levante coast may cause serious production losses. A Fruit Syndicate spokesman has pointed out that the 2.37m. tons forecast made at this time last year had to be revised downwards a few months later when heavy frosts spoiled several hundred thousand tons of oranges.

Unofficial sources of information indicate that Spain wants to achieve a 1.5m. tons citrus export figure this year provided, of course, that the calculations are not upset by adverse weather conditions. At the same time the Spanish exporters expect increasing competition on foreign markets in the wake of the devaluation of the Israeli pound last August.

According to the National Citrus Board, about 34 per cent. of this season's 2.3m. tons citrus crop forecast are navel oranges, followed by 15.3 per cent. blood oranges, 9.5 per cent. mandarines and satsumas and about 6.8 per cent. verna oranges. The citrus growers have asked the central administration to purchase surplus production in order to maintain prices on the home market.

## BUMPER CHINESE GRAIN HARVEST

HONG KONG, Sept. 30.

China is heading for a bumper grain harvest for the 10th successive year, Peking Radio reported to-day. It said the early rice and summer crops had been "very good" and a successful autumn grain harvest was expected.

Reuter.

## Iceland fish ban 'disaster consequences'

By Our Commodities Staff

THERE would be "disastrous consequences" for the British distant water fishing fleet if Iceland's proposal to extend its fishing limits to 50 miles before September next year is carried out, the White Fish Authority said yesterday.

In a leading article in its quarterly Fish Industry Review, published yesterday, it says that whether or not the stocks at the Iceland ground are, as the Icelandic Government suggests, in grave danger through over-fishing, "it surely is not beyond the wisdom of statesmen in Iceland and the other countries affected by the proposed extension to reach agreement on the appropriate measures of resource management, without denying access to those who depend as much on this fishing as does any Icelander."

## FARM AWARD FOR MILK CHIEF

Sir Richard Trehane, Milk Marketing Board chairman, is 1971 winner of the Massey-Ferguson national award for services to U.K. agriculture.

The award is in recognition of Sir Richard's "outstanding services to dairying."

## Rise projected in world farm outpu

WORLD agricultural production and demand are projected to increase by more than one-quarter between 1970 and 1980 with the gain in the rate of expansion concentrated in the developing world.

According to a 736-page study, "agricultural commodity projections, 1970-80," carried out by the UN Food and Agriculture Organisation, world agricultural production is expected to rise by 28 per cent. and agricultural demand by 26 per cent. between 1970 and 1980.

But the absolute number of people short of food at the end of this decade may be much the same as to-day, the study reports. "Given the existence of unequal—and sometimes very unequal— distribution of incomes and hence of food, problems of undernourishment will exist in some 42 countries . . . although with presently available information, a reliable estimate of the numbers of people affected cannot be made," the study explains.

The rate of exp agricultural producti the 1970s is projected per cent per year, slig than the 2.7 per cen recorded during the decade because a sharp fall in the rate sion is expected for h countries.

By contrast, an acce total agricultural prod 2.9 to 3.3 per cent. projected for the countries as a whole.

# COMMODITY MARKET REPORTS AND PRICES

## BASE METALS

COPPER—Turned upwards on the London Metal Exchange. Following the better trend overnight in the U.S., prices opened higher here and held steady in more active trading than of late. Fair consumer inquiry and continued Chinese interest were reported. The U.S. market made another firm showing in the afternoon following apprehension as to the possibility of a dock strike on the east coast adding to the one already in progress on the west coast. Prices moved correspondingly higher here with forward metal touching £421 at one stage before reacting under profit-taking to close at £418½ on the late Kerb. Turnover 14,550 metric tons.

Henry Gardner and Co. reported that in the morning, cash wirebars traded at £407.3, £406.3, £407, £407.5, £407, £406.5, early-Oct. £407, mid-Oct. £407, £409, early-Nov. £411, three months £416, £415.5, 15, 16, 15.5, 16. Kerb: Cash £406.5, £407, £407.5, three months £415.5, £416, £416.5. Cathodes: cash £396, early-Oct. £398, three months £404, £404.5. Kerb: Cathodes: cash £396, three months £405. Afternoon: Wirebars: cash £408.5, £409, £412, three months £416.5, £417 to £420.5. Kerb: Cash £412, £411, early-Oct. £411, three months £420, 21 to 15, 18.5. Cathodes: cash £401. Kerb: late-Oct. £403, three months £408, £409.

| COPPER | a.m. Official | + or − | p.m. Unofficial | + or −† |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Wirebars | | | | |
| Cash | 406.5-7 | +.5 | 411.5-2 | +6 |
| 3 months | 415.5-6 | +.5 | 419.5-20 | +5 |
| Settlem't | 407 | +.5 | — | ...... |
| Cathodes | | | | |
| Cash | 395.5-6 | +.25 | 400-1 | +5.5 |
| 3 months | 404-.5 | ...... | 408-9 | +4.5 |
| Settlem't | 396 | ...... | — | ...... |
| U.S.Smt | — | ...... | 52.75-55 | ...... |

TIN—Lost ground. Disappointment with the overnight fall in Penang, where prices dropped below the previous level at which the buffer stock manager was believed to have supported the market, caused a downturn in prices here. Turnover, 695 tons.

Morning: cash £1,407 to £1,398, three months £1,408 to £1,411 to £1,407. Kerb: three months £1,408. Afternoon: cash £1,399, £1,400, early-Dec. £1,403, three months £1,406, 07. Kerb: cash £1,398, three months £1,408, 07.

| TIN | a.m. Official | + or − | p.m. Unofficial | + or −† |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 1398-9 | −10 | 1399-1400 | −7.5 |
| 3 months | 1406-7 | −11 | 1407-8 | −8 |
| S'ment | 1399 | −10 | — | ...... |
| Straits E. | 1434.67 | −6.56 | — | ...... |
| New York | — | ...... | *167.75 | +1½ |

LEAD—Firmer. Prices moved ahead influenced by the better tone in both zinc and copper while increased consumer demand was also reported. Turnover, 4,875 metric tons.

Morning: cash £91.5, £91, £91.25, three months £93.75, £94, £94.25, £94. Afternoon: three months £94, £94.25. Kerb: three months £94.5, £95.5.

| LEAD | a.m. Official | + or − | p.m. Unofficial | + or −† |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 91-.25 | +.75 | 91-.5 | +.75 |
| 3 months | 93.75-4 | +.625 | 94-.5 | +1 |
| S'ment | 91.25 | +.75 | — | ...... |
| N.Y. Spot | — | ...... | *14-14½ | ...... |

ZINC—Sharply higher. The return of both London and Continental consumer buying on thoughts that the market was looking oversold brought out bear covering and prices moved steadily higher throughout the day. Forward metal traded at £128½ on the late Kerb. No buying was suspected on behalf of producers. Turnover, 6,450 tons.

Morning: cash £124.5, three months £126, £126.5, £127, £126.75, £126 to £127.5, £127.25. Kerb: three months £127.75. Afternoon: cash £124.75, three months £127.5, £127.75. Kerb: three months £128.75, £128.5.

| ZINC | a.m. Official | + or − | p.m. Unofficial | + or −† |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 124.25-.5 | +4 | 124.5-.75 | +4 |
| 3 months | 127.25-.5 | +4 | 127.75-8 | +4.25 |
| S'ment | 124.5 | +4 | — | ...... |
| E St.Louis | — | ...... | 17.00 | ...... |

* Cents per lb. † On previous unofficial close.





## SILVER

Silver fell 0.7p an ounce to 55.4p (137.8c) at the London bullion market fixing, reaching its lowest level since May 23, 1967. But forward premiums widened slightly. A moderate business was done, with the spot price recovering about 0.1p by the close.

| SILVER (per troy oz.) | Bullion fixing (selling) prices | + or − | LME close | + or − |
|---|---|---|---|---|
| Spot | 55.4p | −0.7 | 55.55p | −0.55 |
| 3 months | 56.3p | −0.6 | 56.45p | −0.5 |
| 6 months | 57.2p | −0.6 | — | ...... |
| 7 months | — | ...... | 58.0p | −0.25 |
| 12 months | 59.2p | −0.6 | — | ...... |

LME—Turnover 150 (75) lots of 10,000 ozs. Morning: Cash 55.8p, 55.7p, 55.5p, 54.9p, three months 56.3p, 56.4p, 56.2p, 56.0p, 55.9p, 55.8p. Kerb: Three months 55.8p, 55.9p. Afternoon: Cash 55.5p, three months 56.3p, 56.4p, 56.5p. Kerb: Three months 56.6p.

## COCONUT OIL

Quiet and untraded, reports G. W. Joynson. Close: Nov.-Jan., March, May, July-Sept., Nov. £109-£119 (same). Turnover 0 (0) lots of 20 tons each. Price basis ex-tank Rotterdam.

## COTTON

LONDON FUTURES—Unchanged, reports Eccles and Stern. Oct., Dec., March and May 30.40-30.80 new pence per kilo (unchanged). July unquoted. Turnover 0 (0) lots of 10,000 kilos each. Strict middling 1 1/16 inch. Pressley 7[illegible] lbs

LIVERPOOL—Spot and shipment sales amounted to 999 metric tons, bringing the total for the week to 5,329 tons, reports F. W. Tattersall. Further substantial trading continued in Sudan, Egyptian and Middle Eastern growths. Support was also forthcoming in new crop American with forward interest predominating.

## COCOA

The decline halted in active and nervous conditions and prices showed net gains at the end of a day in which consumer offtake and short-covering brought in good terminal buying, reports Gill and Duffus.

| COCOA | Yesterday's Close | + or − | Business Done |
|---|---|---|---|
| No2Contract | | | |
| September | — | ...... | 196.5-200.0 |
| December | 209.0-9.5 | +4.0 | 203.5-10.0 |
| March | 212.5-3.0 | +3.5 | 207.5-14.0 |
| May | 215.5-6.0 | +3.5 | 210.0-17.0 |
| July | 219.0-9.5 | +4.0 | 213.5-20.0 |
| September | 222.5-3.0 | +4.0 | 217.0-22.5 |
| December | 227.5-8.0 | +4.0 | 223.0-7.5 |

Sales: 6,574 (18,094) lots of 5 tons each.

## COFFEE

Near Sept. was sold down to £487 during last-minute liquidation, £21.5 per ton below the day's highs. Once the spot month expired, the market held quietly steady.

| COFFEE | Yesterday's Close | + or − | Business Done |
|---|---|---|---|
| | £ per ton | | |
| September | — | ...... | 387.0-8.5 |
| November | 357.0-7.5 | ...... | 357.0-8.5 |
| January | 353.0-3.5 | −0.5 | 353.5-4.5 |
| March | 349.5-50.0 | −0.5 | 350.0-.5 |
| May | 347.0-7.5 | −1.0 | 347.5 |
| July | 345.0-5.5 | −0.5 | 345.5 |
| September | 342.0-3.0 | −0.75 | 343.0-3.5 |

Sales: 301 (300) lots of 5 tons each.

Latest published ICO indicator prices U.S. cents per pound. Colombian Mild Arabicas 47.25 (same). Other Milds 42.63 (same). Unwashed Arabicas 42.58 (same). Robustas 41.73 (same). Daily average 43.06 (same).

## RUBBER

LOWER at the opening, was neglected throughout the day and closed on a quiet note. Lewis and Peat reported a godown price of 97.50 Malayan cents a kilo (buyer, October).

| Contract | Previous Day's Business | 12.45 p.m. Official prices | Closing buyers prices | Rise or fall |
|---|---|---|---|---|
| C.I.F. | p | p | p | p |
| Oct. | not avail. | 13.5-.6 | 13.3* | −0.2 |
| Nov. | not avail. | 13.45-.7 | 13.45 | −0.15 |
| Dec. | not avail. | 13.65-.8 | 13.65 | −0.15 |
| Landed | | | | |
| Spot | — | 14.0*-.8 | 14.0* | −0.1 |
| Nov. | — | 14.6-.8 | 14.6 | −0.15 |
| Dec. | — | 14.9-15.2 | 14.9 | −0.15 |
| Jan. | — | 15.2-.45 | 15.2 | −0.15 |
| Jan.-Mar. | 15.65 | 15.5-.65 | 15.5 | −0.15 |
| Apr.-Jne. | — | 16.2-.35 | 16.2 | −0.15 |
| July-Sept | 17.05 | 16.8-.95 | 16.8 | −0.2 |
| Oct.-Dec. | 17.5 | 17.4-.5 | 17.4 | −0.15 |
| Jan.-Mar. | 18.0 | 17.8-.9 | 17.8 | −0.1 |
| Apr.-Jne. | 18.3 | 18.1-.2 | 18.1 | −0.1 |
| July-Sept | — | 18.4-.6 | 18.4 | −0.15 |
| Oct.-Dec. | — | 18.7-.9 | 18.7 | −0.15 |
| Jan/Mar. | — | 18.9-19.15 | 19.9 | −0.15 |

* Nominal.

Malayan thick crepe Oct. 18.25 (seller). Ceylon thick crepe Oct. 19.65 (seller).

## FREIGHTS

DRY CARGO—A slight improvement was evident in the volume of activity with grain cargoes fixed from the St. Lawrence to Valencia at $3.25 f.i.o. for Oct. and from the same loading area to La Guaira at $5.20 free discharge for Nov. Grain cargoes were also covered from Toledo to Denmark at $6.25 f.d. for Oct. and from Thunder Bay to Germany at $6.75 f.i.o. for Oct. A barley cargo from the St. Lawrence to Belfast paid $2.50 f.d. for Oct. In the coal section, business developed from Robertsbank to Japan at $1.92½ f.i.o. for Oct. while sugar shippers arranged a cargo from Poland to Colombo at $1.90 for Nov.

OIL TANKERS—Inactive with no important fixtures reported in the Persian Gulf. Total entered the market for a 35,000-tonner from Persian Gulf to Far East from October 10-15 but no fixture was reported. American charterers took a 70,000-tonner for inter-Mediterranean trading at W.52½ while Petrofina arranged a 37,000-tonner, also for an inter-Mediterranean voyage on October 7-10, at W.90.

## SOYABEAN OIL

Quiet, untraded, reports G. W. Joynson.

| Soyabean Oil | Yesterday's Close | + or − | Business Done |
|---|---|---|---|
| | £'s decimal long ton | | |
| November | 108.0-21.0 | ...... | — |
| January | 107.5-16.5 | −0.5 | — |
| March | 106.5-15.5 | −0.5 | — |
| May | 105.5-14.5 | −0.5 | — |
| July | 104.5-13.5 | −0.5 | — |
| September | 103.5-13.5 | −0.5 | — |
| November | 102.5-12.5 | −0.5 | — |

Turnover 0 (0) lots of 20 metric tons each. Price basis ex-tank Rotterdam.

## SUGAR

LONDON DAILY PRICE—Unchanged at £42.00 a ton c.i.f. for Oct. shipment.

After opening around kerb levels prices edged up slowly as small buying entered a thin market, reports C. Czarnikow. Narrow trading limits were then maintained until higher New York advices later encouraged buyers and values were at the day's highs at the closing call. The exception was near October, which traded at kerb levels at first, then drifted lower and ended the day in the middle of the range.

| Sugar Pre. Comm. Con. | Yesterday's Close | Previous Day's Close | Business Done |
|---|---|---|---|
| | £ per ton | | |
| Oct. | 43.25-.30 | 43.40-.45 | 43.20-.40 |
| Dec. | 44.50-.55 | 44.15-.20 | 44.25-.50 |
| Mar. | 46.45-.50 | 46.15-.20 | 46.15-.50 |
| May | 45.85-.90 | 45.45-.50 | 45.60-.85 |
| Aug. | 45.65-.70 | 45.30-.35 | 45.35-.55 |
| Oct. | 45.35-.40 | 45.00-.05 | 45.10-.40 |
| Dec. | 45.25-.30 | 45.00-.05 | — |

Sales: 1,287 (1,441) lots of 50 tons each.

Tate and Lyle ex-refinery prices for granulated in 1-cwt paper sacks were £54.26 (same) for home trade and £58.25 (same) per ton for export.

## SUNFLOWER OIL

Quiet and unchanged, reports G. W. Joynson.

| Sunflower Oil | Yesterday's Close | + or − | Business Done |
|---|---|---|---|
| | £'s per long ton | | |
| November | 147.0-55.0 | ...... | — |
| January | 146.0-54.0 | ...... | — |
| March | 146.0-55.0 | ...... | — |
| May | 144.0-54.0 | ...... | — |
| July | 144.0-55.0 | ...... | — |
| September | 144.0-54.0 | ...... | — |
| November | 143.0-53.0 | ...... | — |

Turnover 0 (0) lots of 20 metric tons each. Price basis ex-tank Rotterdam.

## GRAINS

THE BALTIC—U.S. corn met a limited offtake for October transhipment to the U.K. East Coast while interest was shown for a fairly large tonnage of U.S./Argentine option sorghum for Nov. to March shipment to various U.K. ports.

Wheat: Canadian Western Red Spring No. 1 14 per cent. protein Oct. transhipment £30.70 seller East Coast, Canadian Western Red Spring No. 1 13½ per cent. protein unquoted, U.S. Hard Winter No. 2 13½ per cent. Oct. transhipment £28.70 seller East Coast, Australian f.a.q. Dec.-Jan. transhipment £27.00 seller free out Tilbury, French Oct.-Dec. £25.25 seller levy buyers' account.

Maize: No. 3 Yellow American Oct. £23.15 seller Tilbury.

MARK LANE—Average sellers' quotations per long ton for prompt delivery London area: Wheat—Soft milling £24.50-£25.00; Semi-hard unq.; Hard £25.00-£25.50 quoted; Feed £24.25-£24.75. Barley—Malting £25.00-£30.00 as to quality; Feed £23.00-£23.50. Oats—Milling £21.00-£22.00; Feed £20.00-£21.00.

LONDON HOME GROWN FUTURES—Wheat, easier. Close: Nov. 24.025, Jan. 24.375, March 24.875, May 25.450. Business: Nov. 24.200-24.025, Jan. 24.500, March 25.025-24.875, May 25.475. Barley, easier. Close: Nov. 22.550, Jan. 23.250, March 24.050, May 24.800. Business: Nov. 22.700-22.550, Jan. 23.400, March 24.200-24.100, May 24.950.

HGCA—Guide prices for October and November deliveries. Millable wheat £25.00 per ton ex-farm. Feeding barley £22.50 per ton ex-farm.

Average ex-farm spot prices for week ending September 30: Soft milling wheat: December delivery—S.E. £24.85, S.W. £24.70, East £24.70, E. Midlands £24.70, W. Midlands £24.60, N.E. £24.73, Scotland £24.95, U.K. £24.70. January delivery—S.E. £24.90, S.W. £25.00, East £24.75, E. Midlands £25.10, W. Midlands £24.60, Scotland £25.00, U.K. £24.90. Feeding barley: December delivery—S.E. £23.65, S.W. £23.90, East £23.30, E. Midlands £23.90, W. Midlands £23.75, N.E. £22.90, N.W. £24.50, Scotland £22.05, U.K. £23.35. January delivery—S.E. £24.10, S.W. £24.75, East £24.50, E. Midlands £23.70, W. Midlands £24.70, N.E. £23.85, U.K. £24.00.

Location average ex-farm spot prices. Soft milling wheat—Driffield £23.10, Hitchin £23.20. Feeding barley—Hitchin £22.15.

## JUTE

DUNDEE—Quiet with few offers made. Prices c.i.f. U.K. for Oct.-Nov. shipment: PWB £154, PWC £144.50, PWD £137. Tossa PTB £162.50, PTC £150, PTD £143. Calcutta market closed. Yarns and cloths quiet but prices steady.

LONDON—Quiet. PWC grade Sept.-Oct. £146.50 nominal, PWD grade Sept.-Oct. £137.50 nominal. A long ton.

CALCUTTA—Market closed for holiday.

## WOOL FUTURES

MERINOS—Markets again showed small changes only, with interest centred on near positions, in front of first tender day (to-day) in the October top delivery, reports Bache.

(New pence per kilo)

| Dry-combed wooltops | Yesterday Close | + or − | Business Done |
|---|---|---|---|
| October | 74.5-5.0 | −0.75 | 74.9-5.0 |
| December | 76.5-7.0 | −1.1 | 77.0-7.2 |
| March | 77.5-8.0 | −0.15 | — |
| May | 78.3-9.0 | −0.1 | — |
| July | 78.5-9.0 | −0.25 | — |
| October | 80.0-0.2 | −0.3 | 80.0 |
| December | 80.0-0.5 | −0.55 | — |
| March | 80.5-1.0 | +0.15 | — |

Turnover 20 (0) lots of 2,250 kilos.

| Greasy wool | Yesterday Close | + or − | Business Done |
|---|---|---|---|
| December | 56.0-7.5 | ...... | — |
| March | 54.8-5.5 | ...... | — |
| May | 54.3-4.8 | ...... | — |
| July | 54.5-5.0 | ...... | — |
| October | 55.8-6.0 | ...... | 55.5 |
| December | 55.6-6.0 | +0.05 | — |
| March | 56.0-6.2 | +0.35 | 56.0 |

Turnover 2 (1) lots of 3,000 kilos IWTO clear wool content ex-Flushing.

SYDNEY—Steady. Close: Oct. 132.6-132.7, Dec. 135.5-135.7, March 136.5-136.6, May 137.1-137.3, July 138.4-139.0, Oct. 138.5-139.0, Dec. 139.2-139.5, March 139.6-139.8. square inch micronaire 3.5-4.9.

## MEAT/VEGETABLES

SMITHFIELD—Beef: Scottish killed sides 17.0p to 19.6p, killed sides (high quality) 20.8p, English hindquarters 20.4p to 20.8p, Ulster hindquarters 21.7p to 22.8p, forequarters 13.8p to 14.2p, Eire hindquarters 19.8p to 21.7p, English forequarters 12.9p to 13.8p, Argentine chilled boneless cuts: Strip loins 44.0p to 45.0p, rumps 38.5p to 40.0p, top sides 31.0p to 32.5p, silversides 28.3p to 29.8p, thicks 27.8p to 29.0p.

Lamb: English medium 12.5p to 15.0p, heavy 10.8p to 12.5p, Scottish medium 11.7p to 15.0p, heavy 10.8p to 12.5p, hill 11.7p to 16.7p. Imported frozen: New Zealand D's 13.2p to 14.5p, 2's 12.5p to 13.3p, 8's 11.4p to 12.2p, YLs 11.7p to 12.5p, YMs 11.8p to 12.5p.

Pork: English, under 100 lbs 10.0p to 15.8p, 100-120 lbs 10.8p to 14.6p, 120-160 lbs 11.0p to 13.3p, 160-180 lbs 10.4p to 11.3p, 180 lbs and over 10.0p to 10.8p, Eire, all weights 11.3p to 12.8p.

Meat Commission average fatstock prices at representative markets yesterday. U.K. cattle average £11.58 a live cwt (−0.05 on previous week) sheep 15.3p a lb edcw (+0.1), pigs £1.98 a score (+0.02).

COVENT GARDEN—Imported produce: Grapefruit—Honduras: 32 £2.80, 36 £3.00, 40/48 £3.00, 56 £3.00; Dominican: 35 £3.15, 46/48 £3.46, 63 £3.10. Oranges—Brazilian: £1.50-£1.60; South African: Valencia Lates £1.70-£1.85. Melons—Israel: Ogen £1.50; Spanish: yellow £0.60-£0.75, green £0.70-£0.80. Grapes—Belgian: per pound, Royal £0.20; Italian: 11 lb Regina £0.50-£0.60, black £0.60; French: 10 lb Alphonse £0.55; Almeria: 11 lbs £0.70. Pears—Italian: per pound, Williams £0.07.

English produce: Cabbage—Nets £0.30-£0.40. Lettuce—Round 24's £0.60. Potatoes £0.40-£0.50. Mushrooms—per pound £0.22-£0.25. Cucumbers—per tray 12/18's £0.60-£1.00. Cauliflowers—12's £0.40-£0.30.

★

GRIMSBY FISH—Moderate supply and fair demand. Prices per stone: Shelf cod £1.10-£1.45, large haddock £1.50, medium haddock £1.28, best small plaice £1, coalfish 80p.

## PRICE CHANGES

Prices per ton unless otherwise stated.

| | Sept. 30 1971 | + or − | Month ago |
|---|---|---|---|
| Metals | | | |
| Aluminium(s)(x) | £257.20 | ...... | £257.2 |
| Copper | | | |
| Cash Wire Bars(x) | £411.75 | +5 | £445.75 |
| 3 months do. do. (x) | £419.75 | +5 | £455.75 |
| Cash Cathodes (x) | £400.5 | +5.5 | £452 |
| 3 months do do | £408.5 | +4.5 | £442.25 |
| Gold......Troy ozs. | $42.50 | −0.15 | $41.10 |
| Lead Cash (x) | £91.25 | +0.75 | £88.75 |
| 3 months (x) | £94.25 | +1 | £108 |
| Nickel(x) | £1,246.5 | ...... | £1,246.5 |
| Platinum (b) troy oz | £50 | ...... | £50 |
| Free market | £44½-47 | ...... | £46-49 |
| Quicksilver (76lbs) | £212 | ...... | £212 |
| Silver Troy oz | 55.4p | −0.7 | 60.4p |
| 3 months | 56.3p | −0.6 | 61.5p |
| Tin Cash (u) | £1,398.5 | −7.5 | £1,461 |
| 3 months (u) | £1,407.5 | −8 | £1,459 |
| Wolfram 22.04lb cif | £19-20.5 | +1 | £16-17¼ |
| Zinc Cash (u) | £124.625 | +4 | £129.875 |
| 3 months (u) | £127.875 | +4.25 | £133.625 |
| Producers (u) | £150 | ...... | £150 |
| Oils | | | |
| Coconut, Malayan | †£135(q) | ...... | £137 |
| Groundnut 5% | †£179(y) | −2 | £188 |
| Linseed Crude | †£101(y) | −2 | £108.50 |
| Palm Malayan | †£106(z) | ...... | £118 |
| Soyabean (z) | †$287(z) | −3 | ‡ |
| Seeds | | | |
| Copra, Philipp. ton | †$172½(z) | −3½ | $173 |
| Gr'ndnuts Niger'n | †£98(z) | −1 | ‡ |
| Linseed Can No. 1 | †£44.85(z) | −0.20 | £46.50 |
| Grains | | | |
| Barley | | | |
| Can No. 2 | £20 | ...... | ‡ |
| Home Futures | £23.25 | −0.2 | £23.075 |
| Maize | | | |
| No. 3 Yellow Am. | †£23.15(z) | ...... | £24.30 |
| S.A. Yellow Flint | ‡ | ...... | ‡ |
| Wheat | | | |
| No. 1 Red Spring | £30.70(s) | ...... | £31.15 |
| No. 2 Hard Winter | £28.70(s) | ...... | £29.68 |
| Australian | £27 | ...... | £27.50 |
| English Milling | £24½-5½ | ...... | £24½-25½ |
| Cocoa Shipmt (x) | £208 | +1.5 | £243.50 |
| futures Dec | £209.25 | +4 | £245.25 |
| Coffee Shipment (c) | £350 | ...... | ‡ |
| futures Nov | £357.25 | ...... | £364.25 |
| Cotton Liverpool cir index cents per lb. | 36.10 | +0.05 | 35.80 |
| Jute LJA PWC | *£146.50 | ...... | £146.50 |
| Rubber......Kilo | *14.0p | −0.1 | 13.8p |
| Sisal BA 3L (x) | £68 | ...... | £82 |
| Sugar | £42 | ...... | £43 |
| Wooltops 64s......Kilo | 86p | −1 | 89p |
| Cloves (Madagascar) | £1,560(y) | ...... | £1,560 |
| Pepper White......ton | †£470(z) | ...... | £465 |
| Black......ton | †£367.5(z) | ...... | £370 |

* Nominal. † Seller. ‡ Unquoted. §Unofficial close. ♣Indicative price. a Canadian delivered U.K. b U.K. and Commonwealth refined. c Uganda Robusta standard grade indicative price f.o.b. Mombasa. d Pakistan white "C." w Ex-warehouse. x C.I.F. U.K. u Metric tons. y Sept. m Aug.-Sept. q Oct.-Nov. o Nov.-Dec. p Sept.-Oct. z Jan.-Feb. n Dec. k Dec.-Jan. v Feb.-March. s Oct. t Nov.

## INDICES

### FINANCIAL TIMES

| Sept. 30 | Sept. 29 | Month ago | Year ago |
|---|---|---|---|
| 78.51 | 78.32 | 83.05 | 88.18 |

(Base, July 1, 1952=100)

### REUTER'S

| Sept. 30 | Sept. 29 | Month ago | Year ago |
|---|---|---|---|
| 502.4 | 502.9 | 516.1 | 557.9 |

(Base, Sept. 18, 1931=100)

### DOW JONES

| Dow Jones | Sept. 30 | Sept. 29 | Month ago | Year ago |
|---|---|---|---|---|
| Spot | 138.31 | 138.00 | 140.84 | 148.87 |
| Futures | 140.19 | 139.54 | 142.35 | 144.06 |

(Average 1924-25-26=100)

### MOODY'S

| Moody's | Sept. 30 | Sept. 29 | Month ago | Year ago |
|---|---|---|---|---|
| Spl Commd'y | 363.2 | 361.3 | 360.4 | 403.4 |

(Dec. 31, 1931=100)

## U.S. Mar[illegible]

NEW YOR[illegible]

COCOA rallied on short-c[illegible] ing recent dramatic falls, touched off stop-loss firming firmed as commission-house gered chartist support alde weather in the growing area opened lower with continu but the losses were paired to U.S. dockers which cou impending strike, Bache rep

Cocoa—Bahia spot 22½ ( spot 25½ (25). Dec. 22.25 22.67 (22.35), May 23.07, Ja 23.84, Dec. 24.34. Sales, 74[illegible]

Coffee—Santos No. 2/3 unq Santos No. 4 42.50 nom. (sam Mams 47.50 (same).

Copper—Oct. 47.65 (46.85 (47.40), Jan. 47.70, March 48. Sales, 572 lots.

Cotton—Contract No. 1 (same), Jan. 24.50 bid (sam nom., June 22.00 nom. C Oct. 31.65-31.68 (31.43-31.50) 32.35 (32.02-32.06), March 3 33.50. July 33.40-33.45, Oc 30.65, March 31.45 bid.

§§Cottonseed Oil—Oct. (same), Dec. 14.75-14.95 (14 14.75-14.95, March 14.75-14.9 15.00, July 14.85-15.05, Se Oct. 14.35-14.50. Sales, ni

♣Greasewool—Spot 51.5 Oct. 55.8-57.5 (56.0-57.8), (60.5-61.7), March 63.8-65.5, July 68.0-69.0, Oct. 68.8-70.3,

†Lard—Chicago loose 11 N.Y. drummed 14 asked

††Maize—Dec. 112½-112 117½ (117½-117½), May 120½-1 Sept. 123.

‡Mercury—Dec. 250 (same (same). May 250, July 2 Dec. 250 settlements. Sal

‡‡Silver—Spot 139.30 (140.2 (139.50), Nov. 140.10 (140.30 Jan. 142.10, March 144.20, July 148.20, Sept. 150.40, De 154.50 settlements. Sales.

*Soyabeans—Nov. 309¾-3 Jan. 313¾-313½ (314-314½), M May 320½, July 321½, Aug. 290.

bSoyabean Meal—Oct. 79. Nov. 80.20-80.30 (same), D 81.25-81.30, March 82.00, M July 83.40-83.50, Aug. 83, 79.30-79.40.

Soyabean Oil—Oct. 12.[illegible] 12.13), Nov. 12.15 (12.06), D Jan. 11.96-11.99, March 1 11.59-11.78, July 11.72, A Sept. 11.45.

Sugar—Contract No. (same), Oct. 4.00-4.10 (3.9 (4.54), March 4.74-4.75, 4.75-4.56, Sept. 4.50-4.57, Sales, 1,535.

Tin—167.75 asked (166.13

**Wheat—Dec. 148½-14 March 147½-148 (146½), May 138½, Sept. 139½-140.

WINNIPEG, Sept. 30— (85½), Dec. 85 asked ( asked, July 95.

cOats—Oct. 63½ bid (6 (63½), May 64, July 66 ask

§Barley—Oct. 100½ (101 bid (100) asked), May 99½ asked.

dFlaxseed—Oct. 225½ bid ( 226½ (227½), Dec. 225¼, May asked.

Wheat—N. Manitoba No.

All cents per pound ex-wa otherwise stated. * Cents p ex-warehouse. † Chicago 100 lbs—Dept. of Ag. p day. Drummed $'s per 10 ‡ $'s per 76-lb flask ex-ware per 60-lb bushel ex-wareho per. 60-lb bushel in store. 36-lb bushel ex-warehouse lots. ‡‡ Cents per troy ounce b $'s per short ton f.o.b. c Cents per 45-lb bushel. d C bushel ex-warehouse. 1 0 §§ Basis Lubbock, Texas.

COPRA—Philippines/Indon $175, Nov. $175½, Dec. $1 resellers. Oct. $171½-$172½, N Dec. $181½-$185, Jan. $186

THE FINANCIAL TIMES, published ... Sundays and holidays. U.S. ... $119 (air freight) $194 (air m... second class postage paid at N...

## American News

# Big Power deal to avert war by accident

WASHINGTON, Sept. 30.

[illegible]E U.S. and the Soviet Union [illegible]day signed an agreement [illegible]dging to do everything pos[illegible]le to avert accidental nuclear [illegible]r.

[illegible]he Secretary of State, Mr. [illegible]liam Rogers, who signed for [illegible] U.S., called for intensified [illegible]rts to reach agreement in [illegible]ategic Arms Limitation Talks [illegible]ALT) on controlling the defen[illegible]e and offensive missile sys[illegible]s of the two super-powers.

[illegible]he Soviet Foreign Minister, [illegible] Andrei Gromyko, who signed [illegible] Russia, also expressed the [illegible]e that to-day's accord would [illegible] followed by other agreements. [illegible]t he was less specific than [illegible] Rogers in his remarks about [illegible]sibilities for future SALT [illegible]otiations.

[illegible]he two ministers also signed [illegible] agreement to convert the [illegible]sting cable-radio "hot line" [illegible]tween Washington and Moscow [illegible] a direct satellite communica[illegible]ns link.

[illegible]he accidental nuclear war [illegible]reement requires the two [illegible]ntries to give notice in case [illegible] accidental missile firings or [illegible]her incidents involving the risk [illegible] a nuclear war.

The "hot line" agreement [illegible]lls for use of both U.S. and [illegible]ssian satellites and ground [illegible]tions and is expected to take [illegible]o years to complete. The "hot [illegible]e" is for use in transmitting [illegible]essages at crisis times and in [illegible]nnection with the new accord [illegible] avoiding nuclear war.

Mr. Gromyko said that the [illegible]reements signed to-day did not [illegible]ve in any way the substance [illegible] the problem of strategic arms [illegible]mitations.

A senior Administration official [illegible]id the U.S. had good hopes [illegible] negotiating limitations on [illegible]ssile systems, but the pace of [illegible]e arms limitation talks had [illegible]t been as rapid as the Ad[illegible]inistration would like. On May [illegible], the two Governments an[illegible]unced that they would con[illegible]ntrate this year on an anti[illegible]llistic-missile limitation agree[illegible]ent and certain measures to [illegible]rb offensive weapons as well. [illegible]euter

# Mexican kidnap victim is released safely

By Our Own Correspondent

MEXICO CITY, Sept. 30.

[illegible]EXICO'S first political kid[illegible]pping ended last night with [illegible] safe release of Mr. Julio [illegible]rschfeld Almada, director of [illegible] country's airports system, [illegible]lowing payment of a £100,000 [illegible]nsom. He had been held for [illegible] hours.

[illegible]ost signs point to a Leftish [illegible]an guerilla group called the [illegible]vement for Revolutionary [illegible]ion (MAR) as the kidnappers, [illegible] some observers believed [illegible]ht-wing opponents of Presi[illegible]t Luis Echeverría could also [illegible] responsible.

[illegible]xtreme Leftish activities [illegible]e been on the rise here in [illegible]ent months, apparently in [illegible]ponse to Mr. Echeverria's [illegible]orts to democratise Mexican [illegible]itics and open a dialogue with [illegible]nated sectors of the popula[illegible]n.

The extreme Right, which [illegible]anised an armed attack on a [illegible]dent demonstration on June [illegible] in which at least 30 people [illegible] killed, is also fiercely [illegible]ed to the President's [illegible]ormist programme and liberal [illegible]dencies.

Reuter writes from Caracus: [illegible] Dominican Republic's [illegible] Consul-General here, [illegible]elma de Frias, has been [illegible]ped by a guerilla group [illegible] asked for a ransom of [illegible] a Dominican embassy [illegible]man reported to-day.

# OPIC could be crippled by Chile's copper claims

BY GUY DE JONQUIERES

WASHINGTON, Sept. 30.

THE DISPUTE over Chile's compensation of nationalised American copper interests is posing unprecedented problems for the Overseas Private Investment Corporation, an official U.S. agency which plays a key role in safeguarding private direct investment in developing countries.

Unless the Chilean Government backs down on its massive demands for excess profits payments, which would wipe out any compensation for the expropriated interests, the agency is likely to face claims from the major U.S. copper companies which will far exceed its resources.

The Nixon Administration appears to have been caught off balance by the latest Chilean moves, but it is still taking a firm line. Last night, the White House said it expects Chile to pay "adequate compensation for the nationalised mines, but declined to say what action might be taken to ensure this.

OPIC's responsibilities in the dispute arise from the insurance coverage against possible expropriation which it has issued to the three major copper companies affected, Anaconda, Kennecott and Cerro. The total value of the coverage is about $120m., and if no Chilean compensation is forthcoming the total amount would probably have to be paid out.

In addition, OPIC faces another claim, of up to about $100m., by International Telephone and Telegraph if the Chilean Government goes ahead with the nationalisation of the Chile Telephone Company, in which ITT holds a 70 per cent. interest.

The combined insurance payments could run up to $220m. This is almost double OPIC's reserves, drawn mainly from profits on its insurance operations, of $126m. If the claims were validated, it would have to go to Congress for funds to meet the contingency.

## Next move

The Agency's mandate provides for recourse to Congress in such circumstances, but there are numerous uncertainties here because in its entire history it has had to meet claims of only about $3m. While Congress would probably approve assistance to OPIC, there is a danger that it might attach strings to it, such as a demand that the emergency funding be repaid.

In the immediate future, there appears to be general agreement that the next move lies with Chile. A Chilean Government controller is due to assess the value of the nationalised assets and will report his findings next month.

The American copper companies have estimated the value of their expropriated interests at about $600m. This would be more than absorbed by the $770m. which Chile is demanding in excess profit deductions.

Nicholas Colchester reports from New York: Anaconda and Kennecott put out strongly worded protests last night. Anaconda said that excess profits "is nothing more than a thin pretext for confiscation. The fact is that President Allende has now contrived to grab the world's biggest open pit copper mine plus a second major underground mine, and not pay a dime after Anaconda has purchased and developed them at substantial risk and with a large investment in plant facilities and equipment."

Kennecott, which has a 49 per cent. interest in the expropriated El Teniente mine, said that the profit levy would mean that it got nothing for it. The Kennecott president, Mr. Frank Milliken, said "President Allende has somehow computed Kennecott's alleged excess profit over the last 15 years to be more than our total earnings from Chilé in that period and more than the total net worth of El Teniente."

# U.S. coal, dock strikes likely

BY NICHOLAS COLCHESTER

NEW YORK, Sept. 30.

THERE seemed little chance to-day that continuing talks could avert a dock shutdown that threatens to deny the whole U.S. for the first time ever, access to sea trade. In addition, a coal strike is threatening.

The third late-night bargaining session this week in the coal industry talks had produced no solution this morning. The United Mine Workers' Union has yet to declare formally that it intends to call a strike, but the feeling is that a large proportion of the 80,000 workers involved will walk out in wildcat protest unless a new contract is in the offing by the deadline at midnight to-night.

The representatives of mine management, the Bituminous Coal Operators' Association, have apparently been quibbling over the wording of the new contract which, they feel, gives the union too much leeway. The gist of the problem—whether the miners will have their pay hiked from $37 to $50 an hour—has yet to be considered.

The dock situation seems even more hopeless. With talks at a standstill, two Labour Department wen, Mr. Andrew Gibson, the Maritime Administrator, and Mr. W. J. Usery, Assistant Secretary of Labour, will be bringing both sides together in New York to-day to see if they can oil the wheels a little. But the trouble is that there is no strong motivation on either side to avoid a strike. The warehouses are already chock full as a result of the anticipatory shipping that always precedes dock wage negotiations and there is unlikely to be any major burst of freight handling in the New York docks for about a month.

The impasse in the talks concerns the docker's minimum wage agreement under which they are paid a fixed minimum salary however many hours of work they are called to do. This workload has fallen off sharply in recent years as containerisation has had a major effect on loading efficiency. As a result, the New York docks have had to increase their handling charges to a point where they are almost double—in cost per ton terms—what they are at other ports in the Gulf and on the Eastern Seaboard. Despite this increase in the scale of charges, the New York Port management reckons that it has lost $30m. in the past year. They have thus stated their intention of modifying the minimum wage clause so the workers still get the same minimum number of paid hours' work but must make themselves available to do whatever work the dock management asks them to do—broadly speaking. At the moment, dockers can turn up to work and claim that there is none of their type of work to do, take their pay and go home. This is the privilege that loses the docks the most money and which the International Longshoremen's Association is determined to hold on to.

There is a possibility that the Nixon Administration will invoke the Taft-Hartley Act under which it can delay the shutdown by 80 days but the President has said in the past that he does not want to do this. Meanwhile there is, apparently, the odd situation of a management that does not want Presidential intervention and a union that is in favour of it. Anything to keep management paying the going scale of benefits.

# U.S. car safety laws delayed for two years

WASHINGTON, Sept. 30.

DELAYING the installation of impact-absorbing air bags for two more years, the Government yesterday ordered car manufacturers to put seat belts on 1974 cars that must be fastened before the vehicle will start.

Car safety critic, Mr. Ralph Nader, claimed pressure from the manufacturers made the Administration overrule its own national highway traffic safety experts who recommended the air bags—or something equally as effective—be provided on 1974 model cars.

"Henry Ford has spoken, Richard Nixon has jumped, and 200m. Americans have been deprived for another two years of the most important life-saving device developed in recent automotive history," Nader said.

Indicating that the battle to get the air bags installed is far from over, Nader added: "This decision . . . may have to be challenged in the courts at the earliest possible time."

Mr. Douglas Toms, National Highway Traffic Safety Administrator, said, "everyone agrees that passive restraints are the most important breakthrough in car safety in our time, but we can't expect them to appear in 10m. cars overnight. It is a production problem, not a scientific or technical problem."

The anti-start seat belts, which would be required only in the front seats, would add about $33 to the car's cost, according to Ford Motor Company, which conducted an advertising campaign against the air bag and took its case to court.

It was the fourth time that the Government had pushed back the effective date for a safety standard requiring that a driver or passenger must be able to survive a front end crash at 30 miles an hour.
UPI

### SAO PAULO FAIR A SUCCESS

By Robert Mauthner

PARIS, Sept. 30.

THE RECENT French trade fair in Sao Paulo, featuring the Anglo-French Concorde, has turned out to be a resounding success for French businessmen, according to reports by a delegation of the Patronat, the French equivalent of the CBI. Orders placed are valued at between $10m. and $30m. and have exceeded all expectations.

# Church attacks Brazil's leaders

BY OUR OWN CORRESPONDENT

RIO DE JANEIRO, Sept. 30.

[illegible]SERIOUS rift between Church [illegible] Government has opened fol[illegible] a speech highly critical [illegible] Government delivered by [illegible] Avelar Brandano, Arch[illegible]shop of Rio and Primate of [illegible]azil at the Higher War College [illegible]ose head, General Rodrigo [illegible]ávio Jordão Ramos, has just [illegible]een dismissed by President [illegible]édici.

In his address the Archbishop [illegible]rned the College that the gov[illegible]nment risked creating a [illegible]limate of fear" in Brazil by [illegible] preoccupation with national [illegible]curity and advised that the [illegible]vernment should be more in[illegible]lgent, especially with young [illegible]ople. He said that the climate [illegible] fear could prevent people [illegible]m defending their legal rights, [illegible] urged the Government to [illegible]tinguish between subversion [illegible] the just demands of the [illegible]ople.

"Use and abuse of free ex[illegible]ssion is one thing," he said. [illegible] limitation and elimination [illegible] right to expression is an[illegible]

[illegible]lication of the speech on [illegible] upset the authorities. [illegible] College denied supplying [illegible] to the Press and implied [illegible] Avelar had done so himself. This in turn provoked a reaction from the secretary-general of the National Conference of Brazilian Bishops (CNBB). Dom Aloisio Lorscheider, who said the attitude of the College over the Press releases could be a sign of "renewed attrition" between Church and State.

But it seems likely that the Government has used the speech controversy as an excuse to remove General Jardão Ramos for more serious transgressions, and that it badly misjudged the present mood of the church in doing so.

There was little new in Dom Avelar's speech to offend the military Government and the reservations since the Church's reservations about military rule were well known.

Indeed, their recent moves to present a softer image to the civilian public can be seen as an attempt on their part to meet them. The pledge last week of General João Bina Machado of easy relations between civilians and the First Army, of which he had just taken command, exemplifies the kind of relationship to which they aspire. In any case, General Rodrigo was neither responsible for the Archbishop's views, nor, apparently, for assisting in their publication.

A more likely explanation is that General Jordão Ramos associated himself with a group of College officers opposed to the Government's economic policies, which give preference to upper and middle class interests. Such a group is known to exist and has used his position at the college to pressure the government towards a more liberal exercise of its powers on behalf of the working classes. He has also anticipated President Médici on a number of issues, especially on the question fo "normalisation" of the political system and may by doing so have caused some irritation.

The removal of General Jordão Ramos may meanwhile serve as a reminder to Brazilians that there are alternative policies to those followed by the present regime and that, within the military, there are men who are ready to carry them out. The attitude of the Church may encourage them to believe that there are powerful non-military forces in the country who would support them.

THE DOMINICAN REPUBLIC

# Question-mark over the future

BY ALAN RIDING, RECENTLY IN SANTO DOMINGO

THE DOMINICAN Republic under President Joaquin Balaguer seems to have found a formula for bubbling without boiling over. For years, the situation has seemed ripe for a new explosion, with student riots, Communist guerillas and Right-wing terrorism. Yet President Balaguer has kept the lid on, dividing his opponents, coddling his supporters and generally consolidating his own position. To-day it is difficult to see how anything but death will budge him from the Presidency.

It is easy to underestimate Sr. Balaguer. He is small, meek-mannered and soft-spoken, a grey-haired bachelor who looks like a timid grandfather. But behind this placid exterior is a politician of great astuteness and toughness who has defied all predictions by remaining in power during the five years since the U.S. Marines left the country after the 1965 Civil War.

Now, one year into his second four-year term, Sr. Balaguer is unchallenged—the economy is steadily growing, the extreme Left is divided and shattered and the Right supports him. The President is already looking to his second re-election in 1974 and no one imagines he will step down voluntarily. But his style of government leaves a question-mark over the future.

The country has the formal trappings of democracy, such as Cabinet, Congress and judiciary, but they do not function. The President runs the country alone; even his closest associates are just errand-boys. Every public expenditure of more than a few hundred dollars must be personally approved by him. Congress is a pure rubber-stamp, and the judiciary has no independence. Although he was elected in 1966 and re-elected last year in basically fair polling, Sr. Balaguer rules with much of the style and power of a quiet dictator. He has a wide reputation for personal honesty, but there is corruption around him, used as a political instrument. He can keep the machine going because he is the machine. The President is the Government.

But, at 63, Sr. Balaguer has allowed no one to emerge as a successor, so people ask what will happen when he goes. All the forces that he keeps in balance to-day will suddenly be released and there will be no institutions strong enough to hold them. It is difficult to see how a chaotic rush for power will be avoided.

The Army, of course, has to be looked at first because it will be in the best position to take over government when the crisis comes. From his inauguration, President Balaguer has always dedicated the necessary time and money to ensure the Army's support. Once he had disposed of the few followers of the reformist ex-President Juan Bosch and of the Right-wing air force General Elias Wessin y Wessin, it was just a question of buying the loyalty of key generals and colonels with houses, cars, jobs and other appropriate favours.

The success of these tactics was illustrated in June when a Right-wing plot to overthrow the regime, led by that perennial plotter Gen. Wessin y Wessin, was uncovered. Gen. Wessin, whose fame stems from his fight against the Left in the Civil War and his appeal for U.S. intervention when his troops began to falter, is a simple character who genuinely believes his own warnings about Communism and his attacks on corruption inside the Balaguer administration. But his political ability is about as small as his following and there was no one to protest when he was summarily deported after the plot. The Army responded to the idea of overthrowing President Balaguer with about as much enthusiasm as a sunbathing walrus. The only two really powerful Army officers—Major-General Enrique Pérez y Pérez, the National Police Chief, and General Niet Nivar Seijas, Commander of the First Army Brigade—are bitter enemies, which suits Sr. Balaguer.

## Less to fear

The business community, a not unusual ally of ambitious Army officers, is thoroughly content with the country's growth rate—6.5 per cent. in 1970—and the economy's remarkable recovery from the civil war. But while the upper and middle classes are making more money than ever before, the lives of 95 per cent. of the country's 4.5m. inhabitants have hardly changed in the past five years. The agricultural sector has suffered from unstable world prices and international quotas, while little public expenditure has been directed to the countryside where 85 per cent. of the population live. A much-publicised land reform programme has also ground to a halt. In the cities, increased economic activity has helped reduce unemployment, but the urban masses continue to live in conditions of great poverty and disease.

Politically, however, the Government has less to fear from this majority than before last year's elections. The large peasant population, accustomed to the paternalism of the Trujillo era, are natural supporters of Sr. Balaguer and, since many of them farm state lands, once owned by Gen. Trujillo, the Government is easily able to control rural politics.

The urban poor, on the other hand, are more politicised than in most Latin American countries. Most are still solid supporters of Sr. Bosch, ousted by the Army after seven months in the presidency in 1963, while a small number have swung further left in frustration, joining one or other faction of the splintered Communist movement.

However, so long as the Army is loyal to President Balaguer, the divided Left can be no more than a nuisance to the Government. Since the 1966 elections, when Sr. Balaguer defeated Sr. Bosch, the large Dominican Revolutionary Party (PRD) has seemed rather lost. For over three years, while Sr. Bosch was in voluntary exile in Europe, the party was in the hands of the 31-year-old José Francisco Peña Gómez, PRD Secretary-General. When Sr. Bosch returned to Santo Domingo last year in time to boycott the elections with his new theory on "Dictatorship with Popular Support," the party was thrown into even greater confusion. Sr. Bosch's general idea was apparent, but it was never clear to his supporters how the "dictatorship" was to be installed since he opposed the use of violence.

After the elections, in which about 40 per cent. of the electorate heeded Sr. Bosch's call for abstention, Sr. Peña Gómez went to Europe to study, giving rise to speculation that the two men had fallen out. It was common knowledge that at the time Sr. Peña Gómez favoured more active opposition to the Government. Sr. Bosch, on the other hand, apparently realises there is no way he can return to power in the immediate future, and instead is concentrating on reorganising his party, "since only a disciplined and capable movement can face the crisis that may come at any moment." Certainly President Balaguer's own Reformist Party is no match for the PRD's grass-roots organisation.

While Sr. Bosch is playing the waiting game, largely tolerated by the regime as a vocal "proof" of Dominican democracy, the extreme Left has had a bleak time. There are said to be 16 different Communist groups, ranging from Titoist to Lin-Piaoist, with the Marxist-Leninist Popular Dominican Movement (MPD) and the Communist Party of the Dominican Republic (PACOREDO) having the largest following.

## Wiped-off

The political parties that faced Sr. Balaguer in last year's elections have also suffered from the President's technique of "divide-and-rule." Under the pretext of forming a "national unity" government, Sr. Balaguer offered posts to opposition members. Invariably these were accepted, splitting the parties involved between the collaborators and opponents of the regime. In a few months, the President has effectively wiped these parties off the political map. The mini-crises that come from time to time have to be seen against this background. They are valves to release the popular discontent that unquestionably exists, but they do not affect the regime's basic stability. The long-term outlook, however, cannot be bright because without Sr. Belaguer this peculiar system cannot function. Sr. Balaguer is not Gen. Trujillo, but the post-Balaguer era could be as chaotic as the years that followed the assassination of the Generalissimo in 1961.

**Export News**

THE THIRD WORLD

# British Smelter in $150m. Peru copper deal—report

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

BRITISH SMELTER CONSTRUCTION has won an order eventually worth up to $150m. for the development of the Cerro Verde Copper deposits in southern Peru, according to news agency reports from Lima, quoting the Peruvian mines ministry.

The first step aimed at producing *30,000 tons of metal a* year would cost $70m. A second stage, costing some $80m. would thereafter push capacity up to 51,000 tons, according to the report.

## Surrender

The Export Credits Guarantee Department and the Canadian export credit authorities are reported to be backing the deal and finance is expected from Williams and Glyns Bank and the Royal Bank of Canada.

In London the British bank said negotiations for the first stage were far from complete and for the second "nebulous."

The concession was formerly held by the U.S. Anaconda Mining concern which surrendered it to the State last year after being unable to meet the Government's development schedules.

According to the report the British company will sign a contract with Minero-Perú, the Peruvian State mining concern, in the next few days. The contract will cover finance, technical studies and equipment and construction costs for the first stage of the project. Cerro Verde is estimated to contain 150m. metric tons of copper ore.

If confirmed the reports would mean that a Belgian consortium associated with the Banque de Paris et des Pays-Bas has been knocked out of the race.

The smelter, probably to be situated on the coast at Ilo, would be the first *stage* in the Government's plan to refine locally all copper ore produced in Peru and to keep the marketing of the metal in State hands.

No one was available at British Smelter for comment yesterday, but ECGD said that it was involved and had "said OK in principle" but that it was at an early stage in negotiating the details of the agreement.

# U.K. process yields $52m. work

The Lummus Company has announced two contracts worth $52m. from Consumers Power Company and Brooklyn Union Gas Company for the engineering and construction of synthetic pipeline gas plants in the U.S. producing, initially, a total in excess of 150m. cubic feet/day of SNG.

In June, the Lummus Company and Humphreys and Glasgow (International) of London, reached agreement under which Lummus was sub-licensed to engineer and construct such *plants in the U.S. using the* British Gas Council's Catalytic Rich Gas process.

Under the terms of the sub-licensing agreement between the two companies, Humphreys and Glasgow (International) is responsible for the fundamental process design and performance of the gasification section of these two plants and of all further SNG plants for which the Lummus Company obtains orders.

# Help to boost invisibles

A SPECIAL department has been established by the Department of Trade and Industry to help Britain's invisible exporters increase their overseas earnings. Through this, exporters of services can gain access to the official information and advisory services available to them.

These services are outlined in a leaflet published by the Committee on Invisible Exports.

The leaflet is available free of charge from the Committee, at 23, Fenchurch Street, London, EC3.

BUSINESS IN BRIEF

# £2m. Russian order

THE Soviet Union has signed a contract worth nearly £2m. with **Tube Investments' Machine Tool** Division for the supply of more than 50 Coventry-built MATRIX Thread Grinding machines for Soviet machine tool and associated engineering industries.

THE Radar Simulator Division *of Rediffon, part of the* Rediffusion Organisation, has received an order for its new digital Marine Radar Simulator, Type C.8012 to be installed in the modern Navigational Instruction Section of the Georgian College of Applied Arts and Technology, Owen Sound, Ontario.

BOCM SILCOCK has been awarded a further contract to the value of $1.13m. for the supply of 5,000 tons of poultry concentrates to Romania. This follows a previous contract awarded in June of this year.

The contract was negotiated by BOCM SILCOCK in Bucharest in conjunction with Eastern Industrial Corporation which will be responsible for the reciprocal trading arrangements.

# HOPBEG sales top £4.5m.

SALES of more than £4.5m. have been *made* by the British Hotel and Public Building Equipment Group (HOPBEG) since its formation in April, 1968, the Group announced yesterday.

Mr. Philip S. C. Brown, HOPBEG executive director, said that direct orders and commission estimated at £2.5m. had resulted from HOPBEG's sales missions to Singapore (2), Cyprus (3), South Africa, the Caribbean (2), Yugoslavia, Greece and East Africa.

"Orders specification achievement and commissions estimated *at a further £2m. have been* obtained by members as a result of normal trading initiated within the HOPBEG consortium," he said. "Operating costs of HOPBEG in the same period are less than £40,000."

Future missions are planned for Australia, New Zealand and Fiji (February, 1972); The Persian Gulf and Saudi Arabia (April) and Greece and Cyprus (October). A market research of the U.S. and Canada is planned for November.

HOPBEG, which initially was *supported partly by BNEC's* private fund subscribed by industry, now receives its principal revenue from subscriptions by its members, enabling it to continue independently after the closing of BNEC at the end of this year.

Mr. A. B. Mattinson, general manager personnel and training of Hallway Hotels Overseas, has succeeded Mr. E. V. Whitcombe, a director of the London Committee of Barclays Bank DCO, as chairman of HOPBEG.

SELLING TO THE U.S.

# More than frolic in 'Frisco

**Britain's first Trade Week in the U.S. begins to-day in San Francisco. The bands, Bobbies and buses will make a big impact on the man-in-the-street. But the buyers will be governed by the buoyancy of the U.S. economy, and this makes unhappy background reading to the Week. Jurek Martin sets the scene.**

MOST experts agree that a vital key to any recovery in the American domestic economy lies in a revival of consumer confidence. This morning, in San Francisco, the hopes of a goodly number of British businessmen and Government officials are similarly pinned on this fickle concept, for their attention is now focused very firmly on one of the crucial events in one of the most sustained British export efforts on record—the nine day long British Week which will be opened here by Princess Alexandra to-day.

*There will certainly be no lack* of fun and games in San Francisco this week. Union Square, the shopping heart of the city that used to be the private playground of pigeons, old men and flower children, is now graced by a black and white reproduction pub. There will be Bobbies and town criers and Beefeaters and London buses and highland games and the London Philharmonic and a performance of Britten's "A Midsummer Night's Dream" and cricket, soccer and darts matches.

## City centre shopping

On top of all this, there will *be royalty, a cabinet minister,* an ambassador and the Lord Mayors of London and Birmingham and, if the Irish don't cause any trouble there should be a pretty good air of Anglo Saxon bonhomie permeating this city, which can already boast of almost 100,000 citizens of British parentage.

But when in nine days, it is all over, the most important part of the whole effort will come to the fore. Then the name of the game will be simple: to sell more British consumer goods than the $10m. or so per month that are now sold in the State of California. The starting point is San Francisco, potentially the most favourably disposed metropolitan market in the whole of the U.S.

It is hard to conceive of a better place for a concentrated effort to sell consumer goods than San Francisco: if the opportunity is wasted here, then one cannot be sanguine about success elsewhere in the U.S.; nor would one expect to see a British *Week like this repeated* elsewhere for some time to come.

There are several good reasons for San Francisco's particular attraction. It is a truly cosmopolitan city: it has always been receptive to trade and its shops have always stocked a catholic selection of invariably expensive imported products. It is a wealthy area: per capita income of the five counties that comprise the Bay area is the highest of any Californian metropolitan region.

Perhaps most important of all the peculiar geographical *position* of San Francisco, on the tip of a peninsular, has helped preserve the city centre as a shopping area to a much greater extent than in many other major American cities, where the exodus to the suburbs has led to the creation of innumerable shopping centres that have drawn business away from the central city stores.

In San Francisco, although many of the larger department stores have branches in suburban areas, their largest flagship outlets have tended to stay in the city. The retail trade picture here has not been without its weaknesses of late—a couple of large stores have pulled out and a cloud hangs over the future of *at least one more*—but by and large the downtown shopping centre has remained a variable, viable and high quality proposition and is thus ideally suited to a concentrated sales effort such as a British Week.

## Recession in America

Los Angeles, though more populous than San Francisco, would not fit the bill half as well: in the words of Mr. James Murray, the Consul General here, "You can't make an impact on 25 suburbs."

Of course, all these considerations were part and parcel of the original British decision to pick San Francisco. However, there have been a number of significant happenings, all of them beyond the control of the British, since that decision was first taken two years ago and to-day which, though they have by no means imperilled the success of British week, have at least made its organisers sweat a little.

The basic factor has been the American recession, or, to be *more accurate, the slow recovery* from it. A year ago, when there seemed to be ever growing light at the end of the long, dark economic tunnel, it looked as though a British Week in October, 1971, would be most opportunely *timed* to catch the economy and the consumer on the upswing.

As the world knows full well, it simply hasn't happened that way. Business has remained distressingly flat and San Francisco *has been no exception*: retail store sales in the bay area have been hovering at about the $6,200m. mark per annum for the last two years and there has been no evidence that they have improved much this year.

## Mini-flurry of orders

This situation has not deterred *any of the major stores from* taking part in British Week, this is not surprising in view of the fact that the assistance that the British Week organisers have lent the stores in preparing their displays has often involved them in lesser expense than they would have encountered in launching the displays that they would normally have been using anyway.

Nevertheless, the economic situation may mean that stores will not buy as freely from British suppliers as they might have done in better economic circumstances. Although one might expect a mini-flurry of eye catching export orders to be announced in the course or immediate wake of British Week, no solid results of the Week as a commercial venture will be available for some time.

The U.S. economic picture is very much a fundamental uncertainty. Of more pressing immediate concern to the British sales drive here are the dock strike, which has tied up the West Coast ports for three months and which may soon be extended to the East and Gulf seaboards which handle *perhaps a third* of all British exports to California and President Nixon's imposition of the 10 per cent. import surcharge.

The dock strike may particularly affect those British exporters who had hoped to follow up their British Week efforts with a good Christmas sales drive. It has also, of course, added considerably to California's general economic woes.

However, it should not be thought that there is anything like a general air of *foreboding as* British Week dawns. On the contrary, the general impression one gets, particularly from San Franciscans, is that the enormously professional groundwork that has been laid by the British Week team, assisted by the consulate officers, in the course of the last 18 months ought to make it successful in the short run, though the ultimate success depends on the follow through sales efforts of British companies.

The exact cost to the British Government is difficult to assess (there is, for example, no precise monetary value that can be placed on the services of the regular consulate staff here). At a rough estimate—the official operating budget is a secret—the British Week people have so far spent about $700,000 and will probably end up by spending about $1m.

San Francisco has its industrial commercial structure. Unlike both Tokyo and Stockholm, scenes and previous weeks control of the department stores may not necessarily be vested in the city, especially if the store is but one part of a wide flung corporate empire. "My most valuable property," says Tony Vine, director of the project, "has been a national mailing list of major corporations." Similarly, more than 6,000 American agents handling British product lines so from the East Coast. They, too, had to be canvassed, as did the Californian-based agents who were not handling British products but who, in the opinion of the British here, ought to have been.

## Follow-through sales efforts

The advertising techniques have equally been based on a careful study of the local market. Essentially this has been a two-staged operation, concentrating first at the retail trade itself and secondly at the all-important consumer.

Television has not been used (too expensive), the brunt being *borne by radio, hoardings* (particularly on the City buses) and newspaper advertising shared with the stores. However, it would appear that easily the greatest success has been in what might be described as "free advertising," that is, decent coverage by the local Press and so on.

But again, when it is all over, it is the follow-through sales efforts that will count the most—assuming that the state of the American economy will allow *them to have* a chance. You can lead the consumer to the water but you cannot make him drink. British week has provided a trough, the British companies must offer the water: our Californian consumer drinks $10m. a month from *the trough* now. Who can tell what his appetite is?

**ROBINSON AND CO.,** of Durban, *publishers of the* Natal Mercury, a morning daily, have placed a £305,000 order with the Printing Machinery Division of Baker Perkins, of Peterborough, for a web offset pre-print magazine press that will start printing in early 1972.

**THE M.E.L. Equipment Company**, which is now responsible for Ekco Avionics systems, has received a £40,000 order for new CE254 VHF/DF equipment *from Kenya. It covers* supply of systems for installation on a network of airfields throughout the country.

A £75,000 order for a computer controlled materials testing system has been received by Instron of High Wycombe, from the Dutch Akzo Group. The system, which will be installed at the Akzo Research Laboratories, Arnhem, will be used to control six Instron Universal Testing Instruments, to analyse the test results and to schedule the work load in the industrial yarns laboratory.

هكذا من الأصل



European News

# Irish banks cut rates of interest

By Dominick J. Coyle

DUBLIN, Sept. 30.

THE IRISH Associated (Clearing) Banks have reduced their interest rates with effect from to-day, a reduction reflecting in part the worldwide trend towards lower interest rates but also intended as a direct stimulus to economic expansion.

The preferential rate applicable to virtually all borrowing other than personal overdrafts is reduced by 3/4 per cent. to 7¾ per cent., while the ordinary rate is cut by ½ to 9¼ per cent. Interest paid on deposits of up to £25,000 is now 3 per cent. (3½), and there is a one point reduction to 4 per cent. on larger amounts.

These reductions follow last week's lowering of the rediscount rate by the Irish Central Bank and the recent publication of official figures showing that the associated banks are very considerably under-lent.

A spokesman for the Irish Banks' standing committee claimed that the previous level of interest rates was not the primary reason why corporate borrowers were not coming forward. He suggested that the present high level of company taxation was a positive deterrent to industrial investment.

# Hillery to explain Irish policy to U.N.

DUBLIN, Sept. 30.

DR. PATRICK Hillery, the Irish Minister for Foreign Affairs, left this evening for New York to attend the UN General Assembly where he intends to deal at length with his Government's policy towards the northern Ireland crisis.

Dr. Hillery, who is due to address the Assembly next Thursday, will not, however, be inviting any positive UN involvement in the northern situation, particularly since the British Prime Minister has rejected an Irish suggestion that UN patrols might operate along the 300 miles of border with Northern Ireland.

# Commission proposals on future of Euratom

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

BRUSSELS, Sept. 30.

THE EEC Commission has adopted a new three-year plan for nuclear and scientific research in an attempt to breathe new life into the moribund framework of the Six's nuclear Community, Euratom. Further proposals for an overall policy covering research and development in all industrial sectors are to follow soon.

If the present plan is approved by the national governments, it will be the first time since the end of 1967 that the Six will have had a forward-looking nuclear research programme. For the past four years, Euratom has been kept barely ticking over by the extension of existing programmes on a year by year basis.

The three-year span, covering the years 1972-74, was chosen by the Commission so as to combine the need for forward research planning with the possibility of reorientation after Britain joins the Community in 1973. It would involve spending $145m. during the three-year period on work in the Community's four common research centres (CCR).

The Commission would like to see an additional $100m. devoted to "indirect" projects, to be carried out on behalf of the Community in National Research Institutes ($70m. of this has already been approved by the Council). But this should not affect the jobs of the 2,000 or so people who work for the CCR, all of whom would be kept on under the Commission plan.

The main casualty under the Commission's programme would be the ESSOR prototype research reactor at Ispra in Italy, on which the Community has spent $80m. since work was started on it in 1963.

The $70m. already approved by the Council of Ministers will go towards research into thermo-nuclear fusion and protection against ionising radiation. The Commission says that these are two areas where Community research has achieved successes which have already been recognised by the U.S. and other countries as extremely important for the future.

Nevertheless, the Commission says in a note to the Council that the present plan only covers a minor part of the work needed to develop the Community's nuclear industry. Proposals for action in the field of enriched uranium, for example, have not been included, as they are still being studied at committee level. Measures are also needed, the Commission says, to facilitate mergers and rationalisation in the nuclear industry as well as to open up the Community market for nuclear power stations.

# EEC post for Briton

BY REGINALD DALE

BRUSSELS, Sept. 30.

THE EEC Commission has approved the appointment of a non-Community national to one of its top political posts for the first time in Common Market history. Mr. Christopher Layton, British technological expert, is to become the chief executive assistant (Chef de Cabinet) to Sig. Altiero Spinelli, member of the Commission responsible for scientific, industrial and technological affairs.

Mr. Layton's appointment will only become official, however, when Britain signs the Treaty of Accession to the Community later this year—until then he will work in the Commission in an advisory capacity. The appointment met with initial resistance in Italian circles here, who would have preferred the job to go to an Italian national.

● The Common Market's Finance Ministers are to hold their next informal quarterly meeting in Paris on October 27, it was announced to-day. The talks will allow the Ministers to take stock of progress made at the meeting of the Group of Ten Deputies scheduled for mid-October

# New forecast of benefits for Britain

By Ian Davidson

BRITAIN'S economic advantages from membership of the European Community will come sooner, and will be greater, than has been generally expected, according to a study released to-day. The study, *The Economics of Europe*, consists of papers by 11 leading economic experts edited by John Pinder, to be published in book form by Charles Knight in November.

Professor John Williamson finds that Britain's growth rate is likely to be 1½ per cent. greater in real terms by 1978 if she is inside the market than if she remains out, while Dr. Tim Josling argues that the budgetary cost of membership will not exceed ¾ per cent. of gross national product at any time and only ½ per cent. in 1977.

The overall balance of payments cost, according to the study, is likely to be in the range £80m.-£175m. in any one year, which is much less than estimates previously put forward and only about a quarter of the U.K.'s current surplus. The study also suggests that the impact on capital account will be either neutral or positive, with the probability of a big inflow of American investment, while the service industries and the City should benefit.

# Big rise in U.K. tourist earnings in 1970—OECD

BY ROBERT MAUTHNER

PARIS, Sept. 30.

BRITAIN'S foreign currency earnings from tourism were $1,040m. last year, 21 per cent. higher than in 1969. This was a considerably higher increase than the average of 16 per cent. for the OECD area as a whole, according to the latest report on international tourism published by the organisation to-day.

The U.S. headed the table of major foreign currency earners from tourism with a total income of $2,319m. Spain was at the head of the list of European countries with $1,681m., a year-to-year rise of 28 per cent., followed by Italy, France and the U.K. But France, a traditional tourist country earned only about $150m. more than Britain, and West Germany's tourist income was marginally less than that of Britain.

Tourist expenditure by Americans travelling abroad grew more last year than in 1969 (by 16 per cent. against 12 per cent.). Of the total of $3,953m. spent by American tourists abroad in 1970, about one-third was spent in European member countries of the OECD.

British tourists abroad were the third heaviest spenders among European member countries last year, with a total expenditure of $934m., an increase of 19 per cent. over 1969.

The report says that international tourism in the OECD countries last year benefited from generally sustained economic expansion, a relatively calm social climate and the lifting of travel allowance restrictions in the U.K. and France.

However, part of the high rate of growth in total OECD expenditure on tourism must be ascribed to the sharp rise in prices throughout the area, the report says, and it suggests the picture so far this year has not been so bright.

FINLAND 1

# Happy about EEC prospects

BY LANCE KEYWORTH, HELSINKI CORRESPONDENT

THE FINNS, unlike the Swedes, are confident about the prospects of reaching a commercial arrangement with the expanded Common Market. This is the more interesting since Finland was earlier regarded as being in the most difficult position of any of the neutral countries because of its special trading arrangements with the Soviet Union and the known Soviet dislike for economic integration in Western Europe.

The first formal approach by Finland to the Commission in Brussels was made in May last year. On the same day, in a speech in Helsinki, President Urho Kekkonen dealt the death blow to Nordek, the project for a Nordic customs union. The coincidence was not fortuitous. It was intended to indicate to the Commission that Finland had decided to go it alone and to restore Finland's credibility with the Six, who, like the Soviet Union, did not approve of Nordek.

## Handsomely

Finland did a lot of other work behind the scenes with the individual member governments of the EEC, which seems to have paid off handsomely. "The goodwill for Finland has been very remarkable," according to a senior Finnish official. It must have been, for Finland was apparently asking for everything which could safeguard its own trading interests and offering nothing but the limited Finnish market (population 4.7m.) in return. A Western diplomat described the Finnish bid in those early days as a "non-starter."

Finland made three points clear from the start. First, "that membership and solutions leading to membership are precluded." Second, its special tariff agreement with the USSR which gave Soviet industrial goods duty-free entry into Finland must be accepted by the Six. An essential component of this was permission to maintain quantitative import restrictions on certain goods, mainly fuels, as accepted under the

Dr. Urho K. Kekkonen

FINEFTA Treaty by which Finland became an associate member of EFTA. Third, Finland would not participate in any of the Common Market institutions, including the agricultural system.

In its still unpublished report of June 16 to the Council of Ministers the Commission accepted the reservation on Finnish-Soviet trade. After all, there was a precedent in East-West German trade, and the Finns could show that there had been no deflection of trade within FINEFTA resulting from the country's special tariff agreement with the Soviet Union.

The Commission accepted all the Finnish proposals but one, although that was an extremely important one, relating to paper and pulp. The Commission agreed to the removal of tariff barriers for all industrial goods except the paper group. On this, the Commission noted that there were sectoral difficulties in the Market and the same concessions could not be granted.

This was a blow for Finland (and must be for Sweden, too), but the Finns are not yet pessimistic about it. They would not like to make a long-term agreement on pulp prices in return for concessions on paper products, a possible solution that has been mooted. The Commission's reservation about paper may be just a bargaining card, it is thought. Anyway, Britain will have problems in this sector, so the achievement of an acceptable solution in the coming months is not excluded. Finally, as a major producer of forest industry products, Finland knows from FAO estimates that demand for paper will greatly outstrip supply by the end of this decade. The Common Market countries can hardly, the feeling goes, afford to exclude the important Nordic source of supply in the long term.

## The blessing

The Commission's report favours more or less the same treatment for all the neutrals as it is prepared to give Finland. Thus, in a way, the Finnish proposals have become the blueprint for Switzerland, Austria and Sweden. Although Sweden is trying for a more comprehensive agreement with Brussels, its chances of getting one are not rated high, at least not here.

There can be no doubt that Finland cleared its plans with the Soviet Union and got the latter's blessing, however grudgingly it might have been given. At least Soviet-Finnish trade and the Soviet Union's most favoured nation benefits in Finnish trade are secure. The Soviet Press has been notably less critical of late of the Finnish move towards the EEC. In a recent broadcast review of Finnish foreign policy President Kekkonen spoke both to Moscow and to the extreme Left wing at home when he said: "I have hardly failed to notice that certain critics regard co-operation with the EEC, even if it is limited to trade, as constituting a threat to our policy of neutrality, on the grounds that it could indirectly make our country politically dependent. In certain circumstances such a danger might exist. But such dangers are more imaginary than real . . ."

Although it may not have been directly intended as such, the announcement this summer of Finnish willingness to enter some form of special agreement with Comecon can be seen as another balancing act by Finland. It will probably take the form of some sort of arrangement with the Comecon Investment Bank.

The Finns expect the next round of negotiations between the neutrals and the Commission to start in November, or anyway soon after the debate in the British House of Commons and before the end of the year. Assuming all goes according to plan, and the necessary concessions are made on paper products, what will the change in industrial tariffs cost this country?

If the calculations have been made, they have not been passed on to the public. But here again, the mood seems to be one of optimism. The costs will be quantitative, not qualitative, as one economist put it. The real test came when Finland acceded to EFTA, and Finnish industry has weathered that well. Sensitive branches such as textiles are already up against severe competition anyway—in the future they will just have to cope with a somewhat larger volume. At all events, Finland has not so far made any reservations, the one on Soviet trade excepted.

# INTER-GERMAN TALKS RESUME

BONN, Sept. 30.

WEST AND East Germany to-night announced they would resume their deadlocked talks to-morrow to settle details of the recent four-Power agreement on Berlin, after signing an agreement to improve their meagre communications links.

At the same time West Berlin accepted a standing invitation from East Berlin to resume talks on Monday on visits by West Berliners to East Germany.

Under the postal agreement, signed in East Berlin, West Germany will pay a lump sum of DM250m. (about £30m.) to offset the additional costs of an excess flow of mail from West to East Germany.

Reuter

# French prices rise 4%

BY ROBERT MAUTHNER

PARIS, Sept. 30.

THE FRENCH Government's anti-inflation campaign risks being seriously undermined by the publication of the latest rise in the official cost of living index which shows that retail prices have risen by more than 4 per cent. in the first eight months of this year, equivalent to an annual rate of 6 per cent.

Under the terms of the current index-linked wage contracts which the Government has signed with the trade unions of many nationalised industries like the railways and coal, wages must be automatically increased once prices have risen by more than 4 per cent.

The authorities, who only two weeks ago managed to persuade the Patronat, the employers' federation, to limit price increases for manufactured products to 1.5 per cent. during a six-month period from October this year to April, 1972, will have received a nasty shock from the August figures. Though traditionally a month of moderate increases, August saw a rise of 0.4 per cent., compared with only 0.1 per cent. in August, 1970. This follows an increase of 0.5 per cent. in July.

The fact that manufactured product prices are now rising as fast as those of foodstuffs is causing the authorities particular concern, and M. Valéry Giscard d'Estaing's aim of keeping monthly increases down to only 0.3 per cent. next year is beginning to look more like a pious hope with every day that passes.

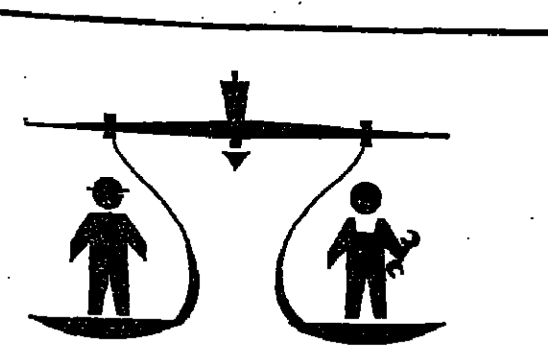
# JUDGMENT IN ICI CASE EXPECTED

By Reginald Dale

BRUSSELS, Sept. 30.

JUDGMENT in the case in which ICI and eight other European chemical companies are disputing fines imposed by the Common Market Commission for alleged price-fixing is now expected within the near future. Oral proceedings in the European Court of Justice in Luxembourg, where the companies are contesting the Commission's case, were concluded to-day.

The dispute dates back to July, 1969, when the Commission announced fines of $50,000 each on nine European companies, including ICI, for alleged contravention of the Rome Treaty's rules of competition. A tenth company, the ACNA concern, of Milan, was fined $40,000.



INDUSTRIAL RELATIONS: THE NEW ACT—4

# A framework for bargaining

BY JOHN ELLIOTT, Labour Editor

THE INTRODUCTION of the idea that all written labour agreements are legally binding is the part of the Government's labour legislation which has attracted most attention. But in fact it may well be one of the last of the provisions to become effective. It forms part of a package of changes to Britain's methods of collective bargaining which includes other measures more likely to become effective quickly.

First, there is the introduction of a formal "bargaining unit" which, it is hoped, will help stabilise bargaining arrangements by sorting out inter-union problems and giving employees a say in which union represents them. Then there is the legally binding contract issue, with provisions for "selective enforcement" in trouble areas, followed by a requirement for employers to hand over company information to union negotiators and other information to their own employees. Finally, there is the need for employers to register their procedure agreements with the Department of Employment.

## Resistance

The provisions for bargaining units do not introduce any new concepts into industrial relations although they have considerable implications for employers' labour policies on union recognition; it has always been the practice to have explicit or implicit agreements—where unons are recognised—covering which workers and which union or unions should be involved in a certain set of negotiations. Most employers and unions know who are covered by any given collective bargaining arrangements—but there are often disputes over which workers should be covered by which unions, especially with white-collar trade unionism on the increase. It is in fact in the white-collar field, where unions seeking recognition are often resisted by employers, that the bargaining unit concept is most important.

The purpose of the Act and the Code of Industrial Relations Practice is to help prevent, or to solve, inter-union disputes by laying down procedures through the National Industrial Relations Court and the Commission on Industrial Relations which can be used where voluntary arrangements fail. The Code of Practice stresses the need for management and unions to try to solve recognition disputes voluntarily and for inter-union disputes to be handled by the TUC's Bridlington procedures. The Act backs this up with a fall-back statutory procedure aimed at fixing which union or unions should be the bargaining agent representing a group of workers in a bargaining unit.

Obviously, a proliferation of statutory bargaining units at local level could easily upset existing negotiating arrangements, and the Act takes account of this. While it limits the scope of a unit to one or more financially associated employers (eliminating industry-wide arrangements) it does allow for the matters to be negotiated within a unit to exclude subjects which could best be handled by established national negotiations. This is a good example of how the Commission on Industrial Relations, when faced with references from the NIRC, will take the requirements of good industrial relations practice into account.

It could, for example, be contrary to good practice to approve applications for units in engineering factories which upset satisfactory national recognition arrangements. The Act defines a unit as "those employees or descriptions of employees of an employer, or of two or more associated employers, whose terms and conditions of employment are, or could appropriately be, the subject of the same negotiations," while a bargaining agent in relation to a unit means the "organisation of workers or joint negotiating panel having negotiating rights in relation to that unit to the exclusion of all other organisations of workers and joint negotiating panels."

Behind the bargaining unit arrangements lie a number of unfair industrial practices which would be unlawful. For example, during examination by the NIRC and the CIR of a bargaining unit application, it would be unfair for an employer to lock-out his employees, or for a union to call industrial action in connection with the recognition dispute. A statutorily backed bargaining unit is similarly protected, including requirements for an employer to negotiate reasonably only with the appointed union.

An application to the NIRC for a bargaining unit can be made by a registered union or group of unions (but not a non-registered organisation), an employer, or the Secretary of State. A union would probably make such an application where it was being resisted by an employer over recognition while an employer would probably apply where the TUC's Bridlington arrangements had either failed to produce a settlement to an inter-union dispute or where the Bridlington settlement was thought to be contrary to the employers' interests.

(It should be noted that even while the scope of a bargaining unit is limited to financially associated employers, there is nothing to stop a number of independent employers in an industry making applications at the same time, in which case the CIR would presumably handle them all together and make recommendations which, while they could only be statutorily backed for individual employers, could set a pattern for a complete industry.)

The Secretary of State would probably make an application where he felt that action by a company in sorting out its own inter-union problems was insufficient, making Government intervention necessary. Depending on political pressures, it is probable that this facility would be used sparingly and could, in fact, if it led to voluntary arrangements being agreed after a CIR investigation, amount to little more than the Secretary of State using the type of power he held and used before the Act to refer inter-union problems to the CIR.

In all cases the Secretary of State has to try to promote a voluntary settlement, even if this means calling in unregistered organisations for talks, before the NIRC can do anything. Unions and employers making applications to the NIRC have first to notify the Secretary of State that they intend to do so in order to give him a chance to conciliate.

Before the NIRC passes the matter on to the CIR, it has to be satisfied that the parties have tried to settle the dispute, have made adequate use of conciliation methods available, and also that a reference to the CIR is necessary for a satisfactory solution. In addition, the NIRC need not call in the CIR if substantially the same issue has been considered during the past two years and if it feels that a fresh examination is not justified. This last consideration is aimed at preventing unions which have already been rejected from clogging up the NIRC and CIR with fruitless applications.

The CIR can apply to the NIRC to have a case closed if a voluntary settlement is reached during its examination and it can also apply for a reference to be extended to cover more employees, subject to the limitation that bargaining units cannot involve other than financially associated employers. This means that if, for example, the CIR had a reference covering only one section of a group of companies, it could propose extending its enquiries—and therefore the resultant bargaining unit—to the whole group where it felt that this was in the interests of inter-union relationships and good industrial relations. However, the NIRC could hear objections to such an extension from the parties involved.

## One requirement

Even though a non-registered organisation cannot apply to the NIRC for a bargaining unit, it can give evidence to the CIR and could, in fact, end up by being recommended by the CIR as the agent—although this recommendation could not be enforced until the organisation registered.

The CIR, having examined the issue, then reports to the NIRC and must be satisfied that, if it is recommending a sole bargaining agent, this is in line with the general wishes of employees having interests in common (although a ballot is not required) and that its proposals would lead to a "satisfactory and lasting settlement of the issue." Although the proposed "agent" need not, at this stage, be a registered union or joint negotiating panel of unions, it must satisfy one requirement of a registered union—that is that it is an independent organisation of workers. The CIR must also be satisfied that it fits in with other conditions such as having sufficient resources, including an effective organisation with enough trained officials.

The CIR's recommendations can then be voluntarily implemented. But if they have not been implemented after six months the matter can be taken back to the NIRC by an employer or registered union for enforcement. This is where the disadvantage of not being registered arises because, even if the CIR originally recommended in favour of a non-registered organisation, the NIRC cannot entertain an application for enforcement until the organisation has registered. This in effect gives a non-registered union, a breakaway organisation, or a staff association finding favour with the CIR six months to arrange its affairs to the satisfaction of the Registrar of Trade Unions if it cannot reach voluntary agreement with the employer during that time in line with the CIR's ideas.

If the NIRC is satisfied firstly on the registration point and secondly that any pre-conditions laid down by the CIR have been met, it asks the CIR to ballot the employees involved on whether they want the CIR's bargaining agent recommendations enforced. Where a simple majority of those voting is in favour, the NIRC makes an Order defining the scope of the unit, specifying the employer and union (or joint unions' negotiating panel) concerned, and directing that after a gap of two months the union (or panel) is recognised as the bargaining agent.

This Order will have the backing of the Act—but only for as long as the union or unions on the panel remain registered. If this registration ended, then, while the bargaining unit arangements might remain in being, the unit would not be protected by the law from strike action induced by any interloper wanting to break up the arrangements.

There is, therefore, an advantage in the unit being made enforceable through the second stage of the procedure, even if the parties have reached voluntary agreement first. However, all would not necessarily be lost if the agreement remained voluntary because the CIR might well look favourably on a voluntary arrangement which was working well when judging an interloper's claim. In any case, the parties to the agreement could apply to the NIRC to have their bargaining unit statutorily backed as soon as they needed to fight off an interloper.

A bargaining unit can be challenged through roughly the same procedure provided for creating it in one of three ways. First, not less than one-fifth of those affected by a unit not backed by statutory order can apply to the NIRC for the established union to be ousted from its position as bargaining agent or for the unit to be broken up. Secondly, not less than two-fifths can apply where the unit is statutorily backed but not less than two years after the unit was established. Thirdly—and in practice this seems the most likely course—another registered union can apply to be made the agent at any time if the unit is not statutorily backed or not less than two years after the unit was created if it is.

Moving on to binding contracts—the provision in the Act that every labour agreement made in writing is conclusively presumed to be legally binding unless it contains a clause that the agreement, or part of it, is not, reverses established practice. It applies to all written agreements ranging from national deals down to shop floor negotiations. In the past case law has shown that agreements were assumed not to be legally binding unless the parties clearly intended that they were.

This change operates on the employer as well as the union (whether it is registered or not), making the employer abide, for example, by an agreement's wage rates. But in practice it is not these "substantive" parts of an agreement which normally need, from either parties' point of view, to be legally binding. Instead, it is the "procedural" section—that is the parts of the agreement setting out how disputes should be handled through grievance procedures—which employers would sometimes like to be legally enforceable.

## 'Peace clause'

Within the procedure section it is the "peace clause" which is at present the most significant. This is the clause which states that until certain things have happened (for example, the agreed procedure for disputes has been exhausted), there shall be no industrial action. Putting aside the union's opposition to binding agreements which involve unions insisting on "exclusion" clauses cancelling the legally binding aspect and which may well outlive the other points of their campaign against the legislation, employers will therefore probably press only for this clause to be legally binding. This clause will have to be extremely carefully drafted, in contrast with the loose wording of most existing procedure agreements.

A breach of a legally enforceable agreement will be an unfair industrial practice, as will a party to the agreement not taking all necessary steps to ensure the agreement is kept (this is also dealt with in a later article on strikes). But inducement to breach a binding contract is unlikely to be regarded as unfair—the fact that a breach, when it occurs, is unfair in itself is considered sufficient by the Government.

The Act also provides for the selective enforcement of procedure agreements in trouble spots—defined in the Act as "units of employment" (*not* to be confused with bargaining units). These units can take in a complete undertaking or less but, contrary to the wishes of some employers, not a whole industry. The application to the NIRC for this procedure to be used can be made by the Secretary of State, an employer, or a registered union.

The Department of Employment must attempt to conciliate (in the same way as at the start of the bargaining unit procedure) before the NIRC hears an application. If the conciliation fails, any of the parties can forward the application to the NIRC which will refer it to the CIR, providing it is satisfied that the existing arrangement or the lack of a proper agreement in the unit means that "development or maintenance of orderly industrial relations in that unit has been seriously impeded," or "there have been substantial and repeated losses of working time."

## Confirmation

The CIR's job is to discover whether these troubles in fact exist and, if so, how they can be cured. (It can also recommend that a larger unit than the one covered in the application should be involved.) The CIR must send its proposals—drafted so that they can later form a legally enforceable contract—to the NIRC and either give them to the parties or publish them. Unless the NIRC receives representation from the parties within two weeks it must confirm them.

The CIR is next required to try to promote voluntary agreement between those involved—and the CIR could suggest that the scope of the unit be extended. If the CIR achieves voluntary agreement on new procedures for the unit involved, it notifies the NIRC which, on application from one of the parties, can close the case.

If voluntary agreement is not reached, the CIR reports to the NIRC, setting out the procedures it proposes, after which six months are allowed during which either the employer or union involved—but not the Secretary of State—can apply to the NIRC for an order turning the CIR's proposals into a legally enforceable contract. If the NIRC considers this is necessary, its Order, lasting for at least two years, specifies the unit and parties involved and designates the CIR proposals a legally enforceable contract.

The Secretary of State, employer and union would each apply for these procedures to be used for different reasons. The Secretary of State is likely to apply if, as has happened from time to time in industries like engineering, the Government feels that labour relations have reached a deplorable condition and that intervention is needed.

The Act also requires in a fairly vague way that an employer should hand over such company information to his union negotiators "without which the trade union representative would be to a material extent impeded in carrying on collective bargaining with him," and "which it would be in accordance with good industrial relations practice that the employer should disclose to them for purposes of collective bargaining." A procedure is laid down for union negotiators to follow when they feel they have not been given sufficient information and, at the end of the day, if the union is still not receiving information in connection with a certain claim, it can take that claim to the Industrial Arbitration Board.

An employer is protected from having to hand over confidential information or details which, to be compiled, "would involve an amount of work or expenditure out of reasonable proportion to the value of the information" in the negotiations.

The Act states that the principles of what information should be handed over are contained in the Code of Industrial Relations Practice. But in fact both the Government and the CIR, which is carrying out an inquiry into the subject, have run into considerable problems over commercial confidentiality, the possibly conflicting rights of shareholders to have information about their companies first rather than union officials, and so on.

The first edition of the Code therefore confines itself to saying that union negotiators should be given such information as is contained in annual reports or given to shareholders but that managements must take account of their obligations under the Companies Act, the need for commercial confidentiality, and any Stock Exchange rules. Later the Code is to be amended—perhaps by the middle of 1972—to provide more guidance and this provision will then be implemented.

In addition, under a separate provision, an employer (initially of more than 350 people) must issue his employees annually, and within six months of the end of his company's financial year, with a written statement about his company's affairs. The Government is to specify later in regulations from the Secretary of State what the statement should contain.

The Act also provides for employers to notify the Secretary of State of the details of their procedure agreements—which they are already doing voluntarily. The Secretary of State has the power to issue regulations stating what size of employer must do this and how much detail is required. The main reason for this provision is to allow the Department of Employment to study procedure agreements and offer voluntary advice on those which they consider defective.

### THE IMPLEMENTATION PROGRAMME

| DATE | PROVISION |
|---|---|
| October 1 | Office of new Chief Registrar of Trade Unions and Employers' Associations opens and registration provisions of Act implemented along with other sundry provisions. |
| November 1 | Commission on Industrial Relations (CIR) reconstituted as a statutory body. |
| December | National Industrial Relations Court (NIRC) starts operating and the following provisions brought into force on the same day: agency and approved closed shop agreements; written agreements to be legally binding; selective enforcement of legally binding procedures in trouble areas; bargaining units; cooling-off periods and strike ballots in national emergencies; appeals against Registrar's decisions; approved voluntary dismissal procedures, notification of procedure agreements. Existing Industrial Court renamed Industrial Arbitration Board. |
| January | Draft Code of Practice debated in Parliament. |
| Early 1972 | Scope of Industrial Tribunals (ITs) extended and at same time the following provisions brought into force: right to belong or not to belong to a trade union; pre-entry closed shops outlawed; outlawing of industrial action called by those other than authorised members of registered unions; protection against unfair dismissals; changes in contracts of employment; power for Registrar to be asked to investigate complaints about registered organisations, restrictions on legal proceedings outside Act's provisions. |
| Later in 1972 | Disclosure of company information both to employees and to union negotiators (including amendment to Code). |
| — | In a few years time the IT's scope will be extended to include breach of contract of employment cases. |

By the time the NIRC starts operating the Government will have made regulations limiting the provisions of the Act covering agency shops agreements, selective enforceability of agreements, and bargaining units to undertakings over a certain size so as to control the NIRC's and CIR's initial case load. Later, regulations will be made limiting the size of companies affected by the requirements to disclose company information to union negotiators.

# Other Overseas News

## IN BRIEF

● **EGYPT'S** first Deputy Prime Minister, Mr. Aziz Sidki, flew to Rome to sign an agreement on Italian participation in a consortium to finance an oil pipeline between Suez and Alexandria. The agreement, negotiated over the last year, was signed yesterday at the Ministry of Foreign Trade.

● **BEIRUT**—Shops re-opened after a ten-day strike ni protest against a Government decision two weeks ago to raise customs duties on a wide range of imported goods. Parliament has been summoned from its summer recess, and met yesterday on the issue.

● **SOVIET** President Nikolai Podgorny left here to-day for New Delhi on the first leg of a tour which will take in Rangoon and Hanoi, Tass News Agency said.

● **SOVIET** authorities indirectly accused the Chinese of violating the air space of one of its closest allies, Mongolia. A Tass News Agency report, quoting the Mongolian News Agency, said a Chinese jet had crashed, killing nine people, early last month "deep inside" Mongolian territory.

● **ZAMBIA**'s banned Lumpa sect, followers of the self-styled prophetess Alice Lenshina, have once more caused bloodshed when attempts were made to move them from Makombo on the Congolese border to settle them further inland as recommended by the U.N. Tussles broke out with Congolese troops, who fired, killing three Lumpas.

● **SOUTHERN YEMENI** Premier Ali Nasser Mohammed arrived in Moscow to discuss the relations between the two countries with Mr. Alexei Kosygin, Soviet Prime Minister.

● **KAMPALA**—A new commercial transactions levy, announced in the budget last June, will not now be introduced in Uganda on October 1, the Finance Ministry announced. The levy is intended to require a 10 or 20 cent revenue stamp on all transactions.

● **KENYA'S** exports to Tanzania came to an abrupt halt here as a result of commercial bank advice. Banks told trading companies throughout Kenya to stop normal business with their southern neighbours until monetary issues between the two countries have been clarified.

● **MOROCCO** has now been added to the list of non-Communist countries that the Soviet leadership is to visit in the next few weeks. It has been announced in Moscow that the Soviet Prime Minister, Mr. Alexei Kosygin, will be going there later this month, "on an official visit" at the invitation of King Hassan.

● **TEL AVIV**—Output in the Israeli-occupied territories rose by 20 per cent. in 1969 and by 14 per cent. in 1970, it is claimed in the latest study of economic developments in these areas prepared by the Bank of Israel.

# No basis yet for Rhodesia negotiations—Sir Alec

UNITED NATIONS, Sept. 30.

SIR ALEC Douglas-Home, the Foreign Secretary, said to-day he was ready to go to Rhodesia for talks with Premier Ian Smith if a basis for negotiations could be found. But it was too early to say when "we might be able to get into a negotiation position," he told a Press conference here.

Asked if there was any truth in a report that Britain would drop some of its five principles for a settlement—which include the requirement of progress towards ultimate majority rule—Sir Alec said the principles were not going to be dropped. "It (a settlement) has to be in the framework of the five principles. One is more important that the rest, but there are five."

A basis for negotiation had not yet ben established, "but we hope, in the interest of the African countries, that this matter can be settled," Sir Alec added. Asked to react to repeated UN criticism that Britain's policies deliberately align London with the "white racist minorities" in Southern Africa, Sir Alec said that Britain's insistence on eventual majority rule for Rhodesia rebutted these assertions.

Our Salisbury Correspondent writes: Excitement is mounting in Rhodesia about the possibility of a settlement with Britain and on what terms it would be. A Rhodesian Government spokesman said to-day that nothing was known of the future movements of British negotiator Lord Goodman. However, during his visit to Rhodesia earlier this month the British envoy said privately he expected to return to Rhodesia at the end of the first week in November.

This ties in with speculation here that his visit will immediately precede a meeting between Mr. Smith and Sir Alec. Such speculation has received no support at all in Whitehall.

Meanwhile, the Rhodesian Government has taken the unusual step of recalling Parliament on November 16—a period when it is normally in recess. This, so the current popular theory goes, could mean that Mr. Smith plans to push any settlement terms through Parliament in a few days before his right-wing opponents would have time to organise opposition.

It is known that he does not want to go to the country in either a general election or a referendum on settlement terms. His Rhodesian Front Party still has more than three years of its constitutional term of office to run, and he wants this time to consolidate his position. There is little doubt that Mr. Smith will be able to persuade the vast majority of his cabinet and parliamentary caucus to accept almost any terms, but the grass roots of his party will be harder to convince.

The influential Rhodesian Financial Gazette reported to-day that local political circles were becoming aware that Rhodesia would have to accept the principle of eventual African majority rule if a settlement with Britain is to be reached. It also said that Mr. Smith would have to give way on the principle of political parity between black and white—the cornerstone of the present constitution—and also on the present system of using income-tax as the basis for measuring political advancement of Africans.

Official hopes of a settlement in Salisbury are still low, it added.

# China says its economy is booming

HONG KONG, Sept. 30.

**CHINA is in the middle of an all-round upsurg in production and construction, and its national economy is in excellent state, the New China News Agency said to-day.**

The total value of industrial output in the first eight months of this year, the first year of China's Fourth Five-Year Plan, rose by 18.7 per cent. over the samep eriod in 1970, the agency said.

The agency report, which came on the eve of China's National Day, gave no precise figures on the value or volume of industrial production. It said China was expeceing a good autumn harvest this year, the tenth in succession.

The output of major products rose by fairly big margins, the agency said. It listed these as iron and steel, coal, crude oil, and machine-building, power and light industries.

The agency said the amount of products purchased by the State from the farms and sold to the public was higher than before. "State revenue and expenditure were balanced with some surplus," it said. "New successes were scored in scientific experiments and more technological gaps filled in."

Radio Peking to-day reported that 19.6 per cent. more iron and steel was produced in China in the first eight months of this year than in the same period last year.

Reuter

## S. AFRICAN NAVY MANOEUVRE

PRETORIA, Sept. 30.

BRITISH and South African naval units will engage in a month of joint manoeuvres in South African waters starting next week, naval headquarters announced to-day. The manoeuvres, beginning on October 4 and ending on November 3, will involve the British frigates Cleopatra and Juno—sister ships—the submarine Oberon and the Royal Fleet auxilliary support ship Tidesurge.

Reuter

# U.S. threatens Japan with quotas from Oct. 15

TOKYO, Sept. 30.

THE U.S. to-day told Japan that import quotas would be imposed on Japanese textiles on October 15 unless it accepts a U.S. Government plan for settlement of the long-standing textile row.

The Minister of International Trade and Industry, Mr. Kakuei Tanaka, said after a meeting with U.S. presidential emissary Mr. Anthony Jurich that he had rejected the U.S. demand that Japan should give an answer to the plan by to-morrow.

But Mr. Jurich told the Japanese Minister the date of October 15 for imposition of mandatory import curbs could not be changed and that the U.S. plan was final. Mr. Tanaka told a Press conference that there would be more contact with Mr. Jurich and this was interpreted by observers as indicating that negotiations would continue.

Mr. Tanaka said the American official could not answer his question of whether the U.S. was prepared to exempt Japanese textiles from the 10 per cent. import surcharge if a governmental textile pact was concluded between the two countries. The Japanese Minister said he had asked for this information as well as details about the attitudes of the three Far Eastern textile exporting countries, Hong Kong, Taiwan and South Korea.

Ministry sources said the U.S. plan called for a three-year category-by-category restriction of 18 Japanese textile items exported to the U.S., starting retroactively from July 1, 1971. A 5 per cent. annual increase is provided for 15 man-made textile items and a 1 per cent. increase for three woollen textile items, the sources said.

Former Prime Minister Nobusuke Kishi said to-day he would visit the U.S. early next week to discuss the textile dispute with President Nixon. Mr. Kishi disclosed his plan on his return to Tokyo from a visit to South Korea. He said he planned to set a date for his U.S. visit after consulting with his brother, the Prime Minister Mr. Sato to-morrow.

Mr. Kishi said he hoped the Government would make up its mind regarding the U.S. proposal to conclude a government-to-government agreement restricting Japanese textile exports.

Reuter and AP

# S. Korea's foreign debt

BY OUR OWN CORRESPONDENT SEOUL, Sept. 30.

South Korea's foreign debt repayment burden next year will amount to $315m., about 15.7 per cent. of total estimated foreign exchange receipts of 1972. Government economists said that although the debt servicing burdent would increase by $50m. annually after 1972, its ratio to yearly foreign exchange earnings would level off to 14 per cent. between 1973 and 1975 and to 12 per cent. in 1976.

At present South Korea owes $1,800m. in foreign loans and credits maturing in three or more years. This year, the country will pay $200m. in debt servicing, including interest.

According to a Bank of Korea estimate, the economy grew by 13.9 per cent. in real terms during the first six months of this year on an annual basis. The growth in GNP represents a boost of 1.9 per cent. over the rate of 12.0 per cent. achieved during the same January-June period of last year.

The Bank attributed the high rise to a 24.1 per cent. increase in the manufacturing sector. The nation's exports rose 20.4 per cent. while imports increased by 27.3 per cent. during the period. The agricultural, forestry and fishery production advanced by only 2 per cent. due to the poor barley crop.

## U.K. TO PLEDGE £8M. TO UNDP

Britain will pledge a contribution of £8m. to the United Nations Development Programme for 1972 at the Pledging Conference to be held in New York on October 18—an increase of £2m. over the amount pledged for 1971.

# Eban proposes meeting with Riad at UN

UNITED NATIONS, Sept. 30.

ISRAELI Foreign Minister Abba Eban to-day proposed an immediate meeting with Egyptian Foreign Minister Mahmoud Riad to discuss a settlement which would allow reopening of the Suez Canal. In a speech to the UN General Assembly, he said: "Let us break out of devious procedures and sterile polemics into a new vision and a new hope."

The Egyptian Foreign Minister returned to New York from Washington last night and is also taking part in the General Assembly session.

Speaking in the General Assembly's annual debate on world affairs, Mr. Eban said: "I propose to Foreign Minister Riad that we take our guidance from the spirit which inspires the international life of our age. Let us meet here this month under the auspices of the U.S. to discuss the details and principles of a Suez Canal settlement."

The two sides could also meet under the chairmanship of special UN envoy Dr. Gunnar Jarring to discuss an overall peace settlement, Mr. Eban said.

Mr. Eban said that Israel would use any possible means to communicate its view to Egypt but "the strongest chance of breaking out of the deadlock lies in a transition to a rational negotiating procedure."

Egypt and other Arab countries have always refused to grant Israel the recognition of face-to-face bargaining.

Reuter

# League recognises Oman

BY OUR OWN CORRESPONDENT

ARAB LEAGUE recognition of Oman as its 17th member yesterday opens the way to the UN for this backward but strategically important Arab State at the mouth of the Gulf. It could also mean that the exiled Imam Ghaleb ben Ali will remain out in the cold, despite the League's wish that attempts to reconcile him with Oman's ruler Sultan Qabous should continue.

The League political committee deferred recognition of Oman earlier this month, when it recognised Bahrain and Qatar, because of opposition from the Marxist-dominated South Yemen and Saudi Arabia. At yesterday's meeting it is understood the Saudis accepted other States' arguments that the maintaining of Arab influence in the area demanded that Oman be brought into the League.

League statutes do not call for an unanimous vote on entry, so that despite South Yemen's continued opposition, the Saudi switch won acceptance for Sultan Qabous.

**CEYLON**

# The insurgency is still a mystery

BY STEWART DALBY, RECENTLY IN CEYLON

FIVE MONTHS and more than 15,000 arrests after the abortive insurgency, Ceylon is on the surface almost back to normal. The state of emergency continues, as the patrons of Colombo's few night clubs turned out at 9.30 p.m. to make their way home through the capital's quiet streets know to their dismay. All public meetings are banned and there is still censorship.

But apart from the western province around Colombo, the curfew has been lifted. The thoughts of Chairman Mao and other "subversive literature" are freely on sale in the bookshops and the handful of tourists who have started to trickle back to the island find they can go anywhere and see almost anything. In the capital, there are plenty of police but no soldiers in sight.

## Bandits

The last remnants of the insurgency are now concentrated in the north central province, and here soldiers can be seen as they patrol the dense jungle areas. They do not interfere with the traveller, but there is just a chance that he may be robbed by a group of guerillas. It is now thought that there are four gangs of guerillas still at large in the province. Two of these are local groups and pose the greatest problem for the army since their members can melt away into the countryside. Their size varies as they disband and reform, but they are both probably no more than thirty strong.

The other two groups have made their way up from the southern province and consist of eight or nine members each. They are now reported in a pitiable state, ragged, hungry and short of ammunition. They have become bandits, robbing to stay alive. It is thought that they can survive for weeks or at most months.

None of the groups is offering active resistance to the army. But as the curtain comes down on the military operation, key pieces of the political jigsaw have still to fall into place.

A senior left-wing politician said the insurgency was a joint effort by left-wing extremists and elements of the right, united in their goal of overthrowing the parliamentary system. A member of the opposition United National Party describes it as a revolt by the fringe political parties of the extreme left, led by young university educated extremists looking to Mao and disenchanted with the broken promises of orthodox left-wing politicians. But he adds that their support did not stop outside the House of Representatives. He points out that it was the Janathuka Vimukthi Permanan — the People's Liberation Front—and other splinter groups which played a key part in mobilising the rural Singhalese vote for Mrs. Bandaranaike and her coalition partners in the 1970 election. He claims that this is the reason why the Government is so dilatory in bringing charges against the insurgents.

What is surprising is that after five months, and despite Mrs. Bandaranaike's forthrightness in explaining the insurgency, there should still be such a degree of public ignorance of its nature, leadership and political inspiration. Last week, for example, it came to light in a Parliamentary debate that intelligence reports claimed the insurgents would have struck immediately if the United National Party had been re-elected in 1970, but that they had decided to wait for a year if Mrs Bandaranaike's Sri Lanka Freedom Party and its partners should win.

## Treason

It was clear from three reports submitted by Mr. John Attygalle, a special security adviser to the former Prime Minister Mr. Dudley Senanyake in 1968, 1969 and 1971, that the aim of the JVP and the other groups was the destruction of the democratic system in Ceylon whoever was in power (Mrs. Bandaranaike claims she never knew of the reports). As early as 1964 the groups had been having secret meetings, giving lectures and gradually stockpiling arms and primitive handbombs. Yet why then should they suddenly decide to work through the established parties? Perhaps they thought they could push them into a radical position.

Some of the answers to these questions will come with the trials of the insurgents. Of the 15,500 held, around two-thirds have been screened and 1,400 have been released. Informed sources say that something like a tenth of the total number arrested will eventually be tried for offences ranging from treason to possession of arms. But even then a residue of mystery will undoubtedly remain.

On the night of April 5, when 70 police stations were attacked, the strike was intended to converge on Colombo where there was also to have been an attack from within the city. This never took place.

The suspicion lingers that in Colombo particularly the culprits were not all rounded up. This feeling is pervasive and helps explain the curfew in the city. "I am certain an unrevealed leadership has survived to fight another day," a Cabinet member said to me. But it is doubtful if there will be any fighting in the foreseeable future, because the rebels never managed to muster popular support.

The real legacy the insurgents have left Ceylon is the crippling damage done to the economy, already in a precarious condition. The damage done to property, including the loss of production, is probably of the order of £8m. To this has to be added the cost of maintaining an army almost double its original size of 6,000, a police force swollen by around 3,000 men and the considerable cost of keeping a prison population which has almost doubled.

## Expectations

Behind these short-term problems are the structural flaws in the island's economy. A relatively open economy combined with deteriorating terms of trade for its exports, which are almost entirely tea, coconuts and rubber, has resulted in a balance of payments deficit which will amount to some Rs.1,000m. in the current year, equivalent to around 10 per cent. of Gross National Product. It has been estimated that Ceylon needs $100m. a year in foreign loans just to keep it going. Free education since independence has thrown up a system which produces some 5,000 graduates a year, of which only around 30 have degrees in agriculture.

But above all the Ceylonese, enjoying adult suffrage since 1931, subsidised foodstuffs and free health, have high expectations. Mrs. Bandaranaike's Government is now involved in a critical race against time to meet them. If she fails then a genuine third force of revolutionary character could conceivably evolve.

# The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● DATA PROCESSING

## High-speed minicomputer

MANUFACTURE in Britain of what can fairly be described as the most technologically advanced of any minicomputer on the world market is now much closer, following the European launch yesterday of Interdata's Model 70 and Model 80 machines.

Both incorporate as much of the latest large scale integrated circuit technology as practical at the moment and the 80 in particular will undoubtedly be the fastest small machine in its price bracket when it becomes available next year.

Interdata, now operating from Station House, Harrow Road, Wembley, Middlesex, is moving into a new plant at Uxbridge towards the end of October. Initially this will serve as a suport centre, but within a year, assembly of sub-units will begin and it will be only a matter of time before Uxbridge assumes a major role in the company's European strategy.

Interdata's American parent is faring much better than most other organisations in the data processing business in the U.S. Last year turnover improved by 50 per cent. and prospects for 1971 are that a similar advance will be achieved.

Meanwhile, management has high hopes that its bold use of some of the fastest circuits available will put the new equipment far enough ahead of the field to maintain this advantage for some time to come.

Model 70, already available for U.K. delivery with full support, has a cycle time of 1 microsecond and an access time of 300 nanoseconds. Directly addressable core memory can be expanded to 65,536 bytes and it has an LSI read-only memory with a micro-instruction execution time of 250 nanoseconds.

Model 80 has exceptional performance and is provided with an LSI-MOS mainframe memory and a high speed read-only memory which can be extended by users.

The Model 80 can take over where the 70 leaves off. Execution times are about three times the speed of the latter's and both machines have been designed with the other equipment manufacturer market and the systems market in view.

British orders for the 70 already received include one from Reading University and one from the Environmental Research Council while in the U.S., the tally is now 58.

Applications are extremely widespread but the fact that the two machines have the ability to communicate directly with up to as many as 225 peripherals controllers is an indication of the type of work in which they are most likely to find an important role.

## Makes sure of holiday transport

WINNER of the "instant" theatre ticket battle, Seat Reservation Systems, has developed a reservations service for car ferries and airlines which will reduce costs dramatically compared to current manual reservations systems. SRS is currently in negotiation with several car ferry operators about the implementation of the system.

Agents will be able to obtain immediate confirmation of booking over the telephone in less than a minute. This reduces by more than half the time taken with manual systems and also eliminates the need for the operator to leave the telephone. The SRS system enables a company to streamline its reservations procedures while still retaining part of its operations, if necessary, as a manual system.

The system involves the installation of terminals—a keyboard with visual display unit, with ticket printers as optional—in reservations centres. These terminals are connected directly to SRS's four CDC computers in Shaftesbury Avenue.

The total inventory of the car ferry or aircraft is held in the computer memory banks. Customers, whether private individuals or official agents, will be able to ring any reservations centre (either at the port or airport or the company's head office) to ascertain availability on any particular crossing or flight.

The operator keys the customer's requirements into the computer and knows immediately from information on the TV screen whether the customer can be accommodated on that particular crossing and, if not, will give him an alternative time. The space is then automatically reserved in the inventory.

If a customer cannot be accommodated on a particular crossing or flight, he may be put on a waiting list and is given a wait list number which is allocated by the computer. If someone then cancels at a later date, the wait list requirement is automatically matched within the computer to see if that customer's requirements fit. If they do, a reservation is automatically made and the customer is informed.

● INSTRUMENTS

## Long-life encoders

OPTICAL incremental digitisers (encoders) with solid state emitters and detectors and square wave output as standard have been launched by Harrison Instruments of Lynchford Road, Farnborough. (Hants.).

In the optical digitiser a solid-state emitter beams infra-red light through a rotating segment-patterned glass disc and a similarly patterned fixed index to the solid state detector. The advantage of the solid-state components, compared with using a filament emitter, is indefinite life.

Standard counts of 100, 200, 250 and 500 are available, with other counts up to 500 available to special order. Different models of the new optical encoders provide a single output, a two-phase quadrature output and a zero reference channel.

Digitisers enable the relative position of a cursor or shaft to be read in a digital encoded form. Likely applications for the new devices are thought to be in the fields of machine-tool read-out, drafting, and display of measured data and automatic recoding for inspection and measuring systems.

## Capacity strain gauge

GREATLY improved accuracy in static stress analysis at high temperatures is possible using a capacitive strain gauge developed by the Central Electricity Generating Board laboratories in conjunction with G. V. Planer.

Having dimensions of only 25 x 4 x 4 mm, it is intended for operation up to at least 650 deg. C where its drift is equivalent to only a few micro-strain—that is a few parts per million length increase—per week. A similar accuracy can be achieved, even without "shakedown," during strain-cycling or temperature cycling.

The gauges are available from G. V. Planer, Sunbury-on-Thames, Middlesex and specially developed electronic measuring equipment from Automatic Systems Laboratories, of Leighton Buzzard, Bedfordshire.

● SERVICES

## Heat from a power station

HOT water pumped through underground pipes from Bankside Power Station is proposed by the London Electricity Board for space heating offices, hotels and homes to be built as part of the redevelopment of the South Bank of the Thames in London.

Southwark Borough Council has prepared a plan to meet the changes that will follow the move of shipping and storage activities down river.

The plan provides guidelines for developers to build around 5m. square feet of office space; hotels offering up to 10,000 beds, and homes for up to 7,000 people. Other amenities of the area include the new National Theatre, pubs, shops, multi-storey car parks and London Week-end Television's new colour studios, as well as a riverside walk.

With the help of the Central Electricity Generating Board, the LEB proposes to provide the heat for most of the development from hot water pumped through pipes from the power station at a flow temperature of about 250 degrees F.

Occupiers would have no boilers to operate and maintain and London would benefit from having the steam raising plant and flue stacks concentrated in one place—Bankside Power Station—rather than a multiplicity of smaller boilers and chimneys, often operating below economic efficiencies.

● AUTOMATION

## Simplified transfer equipment

MECHANICAL transfer equipment, developed by the Low Cost Automation Branch of the Department of Trade and Industry and Marine Engineering Company of Stockport, will be shown at the National Low Cost Automation Exhibition at Belle Vue Manchester in November.

Although developed initially for use in the garment industry, this device has wide applications in any batch production process wherever a light load is required to be moved through any distance, horizontal, vertical or angular. It can be used in bad environmental conditions or under water, requires no electricity, has variable speed and is virtually indestructible.

Absence of piston rods allows more compact industrial assemblies, in particular those pick-and-place mechanisms which extend a piston rod and then rotate about their pivot, an action which would require a large rear clearance area if long conventional rods were used.

The device is essentially a pneumatic-powered cylinder of any length up to 30 feet but instead of a conventional cylinder and long piston rod a short permanent magnet is fitted internally.

A permanent magnet carriage assembly sliding on the outside of the cylinder is carried along by the interaction of the magnetic fluxes; there is thus no direct mechanical link between the piston and the carriage, so that the carriage can be arrested by hand pressure. This makes the device particularly safe for door closing, safety guards and other situations where transfer mechanisms are being employed in close proximity to operatives.

Pneumatic fingers, magnets or vacuum devices can be attracted to the carriage so that it can pick up in the same way as a human hand.

Because of the link between the internal member and the carriage, the carriage may be given a combined rotary and linear movement by shaped guides. The device is covered by a patent application.

● HANDLING

## Cranes to be made in Scotland

TRUCK-mounted hydraulic and telescopic cranes of 8, 12 and 15 tons capacity are to be manufactured at Coatbridge, Lanarkshire, by J. N. Connell Construction (1969). Production target is 10 units a month.

Mr. G. Douglas Laing, chairman of Connell said yesterday that its design staff was already working on further models. The cranes will be distributed in the U.K. by John Blackwood Hodge and Co.

● METALWORKING

## Gold finish sheeting

ACRYLIC sheeting with what is claimed to be a weather-resistant metallic gold finish has been added to the range of Oroglas materials marketed by Lennig Chemicals (U.K. subsidiary of Rohm and Haas Company, of Philadelphia, U.S.).

Of possible use to the sign and display industries, plastic fabricators and builders, Oroglas Gold 8002, as it is called, consists of a gold-flake surface on an opaque black substrate.

This surface is an inherent part of the material, is not a coating, and is concentrated on one face of the acrylic sheet, making it suitable for engraving purposes. As with other Oroglas products, it can be cut, drilled, engraved and cemented.

Available from stock in 6 feet by 4 feet sheets to a thickness of ⅛-inch, the material is supplied with full technical details covering fabrication and application.

## Protecting the press

EXPENSIVE dies used to form metal can be protected from damage by either optical or fluidic systems. Either one is intended to make sure that a part does not remain in the press where it could damage the die on a subsequent stroke.

The optical system uses a red light, near the infra-red range. This wave length is better able to penetrate the dusty or smoky atmosphere frequently found in machine shops. The part which should be ejected breaks the light beam and feeds a signal into electrical circuitry. If this signal does not appear at the proper place in the press cycle, the press is halted until the part can be cleared out.

The fluidic system is similar in principle but instead of breaking a light beam the ejected part interferes with an air flow, thereby generating a signal. The low pressure air issues from holes in the punch or die cavity. If a hole remains blocked, it creates a back pressure which signals the part is not clear.

Both systems are offered by the Pro-Tek Instrument Corporation, PO Box 35, Williamsville, NY, U.S.

● PRODUCTS

## Light at right angles

INCANDESCENT lamps with a lens moulded in the end throw a tiny beam of light at right angles to the axis of the bulb. They are intended for card readers, fibre optics devices and similar products using light.

With the "right angle" lamp, a card reader could be built with the photocell pickup immediately beside the lamp rather than at a distance from its end.

Beam diameters as small as 0.08-inch are available, says Lamps, Inc., of 19220, S. Normandie Ave., Torrance, Calif., U.S. The lamps, 1¼ inches long and ¼-inch in diameter, are available in voltages from 2½ to 6 volts, drawing 180 to 350 milliamps.

Spot intensity of the beam can range from 180 to 800 foot-candles.

● SAFETY

## Lifts help fight high rise fires

FIRES in high rise buildings, when ordinary lifts are put out of service, can be attacked by using a lift running on rails outside the building itself.

The question is of considerable importance in the United States now, where recent fatal fires have shown that occupants can be trapped and killed by burning furnishings even whe the building itself is fireproof.

The outside lift developed b Heede International of 1, Gree wich Plaza, Greenwich, Conr U.S., can be used in two way Either the building's own lift ca stays in place on the rails or th fire brigade can bring its ow car on wheels and attach it i case of fire.

Doors opposite the liftways ar interlocked so they can only b opened when the cab is at th floor. The system can also b furnished to be run by hydrauli power from fire engines in cas the fire has cut ordinary mair power.

One hospital, Heede said, considering using the cab as movable X-ray room to be take from floor to floor.

● ELECTRONICS

## Frequency measured to 300 MHz

USING Motorola ECL integrate circuits together with thick fil techniques, Racal Instrument of Duke Street, Windsor, ha produced a digital frequenc meter providing a directly gate frequency coverage from 10 H to 300 MHz with a sensitivity o 10 millivolts.

The thick film circuits wer designed in-house and provid a latched eight-digit display wit overspill and automatically pos tioned decimal point. Resolutio is one hertz up to 300 MHz usin a one-second time gate.

The frequency standard used i the company's precision oscill tor model 842 with a stability o better than one part in a thousan million per day, enabling the fu resolving power of the eight-dig display to be utilised up to th maximum input frequency.

● PROCESSES

## Ceramics cast at speed

FULLY automatic casting of ceramics is possible with a family of machines from Gough and Co. (Hanley), Clough Street, Hanley, Stoke-on-Trent, Staffs.

One of the most interesting features is the provision of an electric exciter unit, which can reduce the normal casting time up to 50 per cent. Other features include automatic filling heads, an automatic tipping and drainage section, and complete flexibility of mould size.

The main circuit system of the equipment is based on a heavy duty chain conveyor, on which is mounted a series of mould carriers, each supporting two trays carrying three moulds each. The chain is driven from an electric motor through a vee belt and tension sprocket, and incorporates an electric clutch and brake unit arranged for intermittent operation.

The moulds are fed manually into the trays, which are then conveyed around the circuit a a pre-determined indexed time sequence to pass through th various process stages whic include automatic filling, empty ing, drying, and when fitted electric excitation. This latte unit, which has three prob stations, reduces casting tim between 30 and 50 per cent depending upon article size, an permits a proportional reductio to the circuit length.

The machine's timed inde cycle is set as standard to a 9 second dwell for each tra movement. Therefore, based o three moulds per tray, produc tion would be one mould every 3 seconds, giving a total output o 10 dozen articles per hour Loading and unloading is easil carried out by one semi-skille operator, who is also able t strip the mould and place th piece to one side. The entir process, therefore, may be car ried out at the minimum of labour cost.

# Foreign cars take bigger share of British market

BY DAVID WALKER

DOMESTIC SALES by U.K. car manufacturers fell by more than 2 per cent. in the first six months of 1971 as compared with the same period last year, despite a 5.5 per cent. rise in the size of the overall market.

Figures released this morning by the Society of Motor Manufacturers and Traders underline the heavy inroads made by overseas manufacturers. Their sales in the first half-year totalled 118,769 units, against 76,443 in the earlier period. For U.K. producers, on the other hand, the figures were 500,818 and 511,188 respectively.

## Top twenty

Only one foreign motor group, Volkswagen, found places in the list of the 20 top-selling models, however. Its "Beetle" range is at number 13 with 14,905 registrations. A year before, 14,385 Beetles were sold, making the range 11th in terms of popularity.

Volkswagen's 1600 range is also in the top 20 at 19 with 7,567 sales against 3,897 in January-June, 1970.

Heading the list is the British Leyland 1100/1300 line, with 73,941 sales, over 800 more than in the first half of 1970. Second place went to the Mini, which moved up from fifth 12 months before with sales advancing from 39,931 units then to 49,594.

The impact of the nine-week Ford Motor strike early this year is reflected in the performance of the Ford Cortina, which was Britain's most popular car in the first half of 1970 with 73,357 sales. During January-June this year, Cortina registrations were almost halved to 37,062, bringing the range down to fifth position.

All other Ford models, particularly the Escort, were similarly affected, to make the company's total sales only 99,718, compared with 164,041 a year earlier. The Escort itself took fourth position with 38,673 registrations. For the first six months of 1970, the figure was 51,983.

Apart from Ford, every British manufacturer and the only importer in last year's top 20, showed improved sales. Vauxhall Motors had 72,046 cars registered compared with 59,072, and its Viva took third position with 48,067 sales. That was almost 6,000 more than in the 1970 period.

Chrysler (U.K.) sales were 5,000 higher at 69,263. The company's Avenger again took sixth place at 33,740 sales, well up on the 27,056 of January-June, 1970. The Hunter/Minx range showed a large improvement at 20,500 against 15,282, but Imp registrations were nearly 2,000 down at 8,446.

Among importers other than Volkswagen, the most significant increases have come from companies linked to U.K. manufacturers. Thus, Chrysler (France) sold 10,988 cars in Britain in the first half of the year against 3,718, while Opel (General Motors) had 4,574 registrations compared with a mere 940 in the earlier period.

Renault sales were 7,000 better than in the corresponding months of 1970 at 22,443, while Fiat showed a 4,300 improvement at 15,795.

The only significant overseas range to register fewer sales was Alfa Romeo, with a 12 per cent. fall to 683.

Overall, importers accounted for 19.2 per cent. of sales. A year earlier, their share was just over 13 per cent.

## Goods vehicles

The van market in the first six months, according to the SMMT figures, showed slight falls in demand both for car derivatives and other types. Sales of the former totalled 45,754, with British Leyland accounting for just over half, against 46,848 in January-June last year.

The total for the latter was 47,450, compared with 49,866. British Leyland was again the leading supplier with 13,681 sales against 15,291 a year before. Ford accounted for 12,756, well down on its first half 1970 total of 19,736.

That drop in demand is reflected in the figures for all goods vehicles, which show sales in the first six months as 128,121 with British Leyland accounting for 47,908 of those. A year before, the totals were 137,494 and 49,408 respectively.

# Businessmen call for more merger freedom

FINANCIAL TIMES REPORTER

MERGERS SHOULD be left "virtually as free of Government intervention as is the normal internal growth of a company," the Industrial Policy Group says in a phamplet published to-day.

The group of businessmen say that mistakes would be multiplied if governments took it upon themselves to decide whether any particular merger would or would not increase efficiency.

## Risky

A merger was frequently a risky procedure since unexpected complications, in technical, commercial and above all administrative, matters, were likely to arise.

"One indication of this is that many mergers do not, by any test, prove as successful as had been hoped," the group says.

The success rate of mergers might be expected to increase with growing knowledge about the risks involve; and increasing flow of public information about companies; and the curbing—through the City Code on mergers—of misrepresentation and fraud.

Nevertheless, the group points out the disposal of unwanted assets by large companies tended to be sluggish. The businessmen suggest that present provisions regarding capital gains tax might be partly responsible, and recommend "a thorough study" to find a remedy.

The allegation that business executives form mergers to enjoy the public esteem of running a bigger organisation is dismissed as "a caricature."

The group accepts as "sound" the argument that, to prevent monopolies, machinery was needed to examine mergers in advance. It was important, however, that the Government department responsible and the Monopolies Commission should confine themselves strictly to the central question of whether the merger was likely to restrict competition unduly.

In the past, the Monopolies Commission had concerned itself with a wide range of questions, on some of which—such as the probable efficiency of the merger—it had no competence.

Other questions, such as the effect upon redundancies or the balance of payments, would be better handled by other government agencies, the group argues.

## Horizontal

Turing to the issue of conglomerates and vertical integration, the businessmen feel the Monopolies Commission should concern itself "largely, if not wholly, with mergers in the horizontal stratas of industry where there may be a danger of the building up of market dominance."

*Merger Policy: Industrial Policy Group, Research Publications Services: Victoria Hall, East Greenwich, S.E.10; 50p*

## HAMBRO LIFE HQ FOR SWINDON

The administrative headquarters of Hambro Life, founded by Mark Weinberg in April, is to move from London to Swindon, Wilts. The company, a subsidiary of Hambro's Bank, is taking over six floors of an office block in the town centre and will initially employ a staff of 100, rising to 400 within the next four years.

# P & O plans biggest cruise schedule

By James McDonald, Shipping Correspondent

P. & O. LINES, which operates the world's biggest passenger fleet, claims it will offer European holidaymakers next year the largest and most complex programme of long-distance sea holidays. This is apart from P & O's short U.K.-based cruises to the Mediterranean, the South Atlantic and Scandinavia.

Its 1972 brochure lists a choice of 185 voyages and combination air-sea holidays, covering 41 ports of call in 25 countries and involving 11 P & O liners.

The list includes: round-world voyages from £811 tourist and £724 first class: "World Roamer" voyages at prices from £572 tourist and £1,010 first class: cruises to Australia and around the Far East from £556 tourist and £958 first class and voyages to and from South Africa from £161 tourist and £290 first.

There are cruise-stay-cruises in Canada or the U.S. from £851 tourist and £521 first, and to Mexico from £503 tourist and £515 first; and fly-stay-cruises to Bermuda from £189 tourist and £210 first class.

Mr. Jim Davis, a director of P & O Lines, said yesterday: "With every succeeding year the international holiday market becomes more affluent, more sophisticated and more demanding. We believe our 1972 programme of long-distance sea voyages and combination holidays—the largest ever to be offered to the public—is ideally tailored to suit all tastes."

# Nature research needs computers

BY DAVID FISHLOCK, SCIENCE EDITOR

AN INVESTMENT of £3m. on computers would have to be made by the Natural Environment Research Council over the next five years, if its scientists were to have adequate computer power by the mid-1970s, says the council in its annual report.

A working party had found the present computing facilities to be seriously inadequate, states the chairman, Prof. V. C. Wynne-Edwards, in his introduction. The cost of hiring computing time was already approaching the cost of buying computers.

## New techniques

Demand was likely to grow steadily over the next five years both for data storage and processing and for computation and mathematical modelling.

Computers would be needed in terrestrial and marine ecology, where it was becoming possible to model complete biological systems; in oceanography, as a means of advancing our overall view of ocean dynamics; and in earth sciences, to store and collate the large amounts of data now being gathered by new sensing techniques.

The Council spent £14m. last year, of which marine sciences accounted for £4m. and earth sciences for £3.5m. Terrestrial ecology and conservation took another £2.2m.

A general decrease in contamination of the environment by organo-chlorine pesticide residues, especially dieldrin, had been recorded by the Nature Conservancy. This was attributable, says the report, to voluntary restrictions on the use of these chemicals after their damaging side effects had become known.

The improvement had been parallelled by local recovery of depleted peregrine and sparrowhawk populations in less strongly agricultural districts, and by marked recovery in breeding success and eggshell thickness in the golden eagles of Western Scotland.

The Nature Conservancy was still greatly concerned about the "very serious threat" oil pollution at seas presented to wildlife and habitat. It was also investigating the amount of damage done to the countryside by people.

## Adverse

The report says that increasing numbers of people "are actually creating an adverse pressure on the things they seek to enjoy" and it was important to know how much disturbance could be borne without damage.

A recently completed National Survey of Angling had revealed that over 2.75m anglers in England and Wales spent between £200m and £250m on fishing. Research most relevant to their needs concerned the effects of pollution and its abatement and how to optimise the management of coarse fishing stocks for angling.

*Natural Environment Research Council. Report of the Council for 1970-1971. HMSO, 85p*

# Training advice for small builders urged

BY HAROLD BOLTER, INDUSTRIAL CORRESPONDENT

TRAINING SCHEMES and advice reach only a tiny proportion of the 70,000 small companies operating in the U.K.'s construction industry, according to a report published yesterday.

The report, produced for the Bolton Committee of Inquiry on Small Firms, suggests that there is a case for a grant-aided scheme to be introduced, making it possible for advice to be given within the small firm, preferably closely related to management courses.

Management training is probably most needed in the field of finance, the report says, but all management operations and decisions carried out by small businesses in construction "could with advantage be given attention." Another area in which improved management might well be developed is that of marketing, it suggests.

"There is scope for some builders to develop specialisms which they could sell to the public. This is becoming particularly important in the field of improvement, where grants are available from Government if the potential clients can be persuaded to make use of them."

In the construction industry, small firms, those employing fewer than 25 workers, represent 90 per cent. of all companies, 23 per cent. of the industry's net output and 27 per cent. of employment.

They carry out 48 per cent. of all repair and maintenance work, 27 per cent. of all new housing work, and 9 per cent. of all new non-housing work.

Discussing the prospects of the smaller building concern, the report suggests that it has a good chance of maintaining its market share of new work, mainly because private housing, in which smaller companies have a large and growing market share, is expected to increase relatively fast, and because sub-contracting is expected to increase.

The general rise in contract size will have a dampening effect, however, it maintains.

## Market share

The report expects small firms to hold their market share on repair and maintenance work, but as this activity is likely to increase more slowly than new work, the overall market share of small firms is likely to decline over the next 10 years, it suggests.

Overall, the conclusion is reached that the efficiency of management in small firms, particularly in the field of the central planning of the whole range of jobs and financial control, pricing and obtaining work, is probably lower in small firms than in larger organisations. But it could be improved with more training and advice.

This report is one of 18 research studies commissioned to help the Bolton Committee to arrive at its own conclusions. The Bolton report itself is due out before the end of this year. So far seven of the 18 research studies have been published.

*Research Report No. 10: Small Firms in the Construction Industry; by Patricia M. Hillebrandt; SO, 95p.*

## WEIR LICENCE FOR JAPAN

An agreement has been reached by Weir Westgarth (Weir Group), of Scotland, and Sumitomo Shipbuilding and Machinery, of Tokyo, under which the Japanese company is licensed to build sea water distillation plants to designs of Weir Westgarth.

The Japanese company, part of the Sumitomo Group, has interests in engineering, electrical engineering, mining, metal construction and chemicals.

# REPORT FROM SCOTLAND

BY ANDREW HARGRAVE

## Chance to save 8,000 jobs

THE UPPER CLYDE saga took yet another strange twist yesterday. Mr. Hugh Stenhouse, the 56-year-old Scottish insurance tycoon who had become chairman of the Government-backed Govan Shipbuilders just eight days before came face to face, on his own, with 16 tough local union officials and shop stewards. He was promised co-operation by the very same stewards who last week barred his entry to the UCS yards and refused to even meet him as recently as Tuesday.

In return, he promised to give "serious consideration" to tackling the problem of the Clydebank yard which, with the Scotstoun yard, has been outside the scope of Government help if, as he said, Mr. John Davies, secretary for trade and industry, wanted him to do so.

Already, Mr. Stenhouse had moved away from his original terms of reference, which was to set up a new shipbuilding unit on the Upper Clyde consisting of the Govan shipyard and the Linthouse steel fabrication shop. On Wednesday, after a meeting with Mr. Dan McGarvey, chairman of the shipbuilding side of the Confederation of Shipbuilding and Engineering Unions, and other national and local officials as well as shop stewards' leader, Mr. Stenhouse agreed to go beyond his terms of reference and conduct a feasibility study on the viability of a three-unit operation which would include Scotstoun.

### Back to July

Now, once again, talk is about all four units, and we are back where we were at the end of July.

Mr. Stenhouse, it should be noted, was the Government's second choice for the chairmanship of Govan Shipbuilders, the company which was to operate the Govan-Linthouse unit employing 2,500 workers. Having got a polite "no" from Lord Weir, chairman of the Glasgow-based engineering group, Mr. Davies turned to Mr. Stenhouse, well-known and respected in Scottish business circles. He also happened to be national treasurer of the Scottish Conservative Party, and his company one of its major subscribers.

Being both a Government nominee and a prominent Tory, Mr. Stenhouse's appointment was greeted, not surprisingly, with suspicion and even ridicule by political opponents as well as by the work force.

His "embryo Board" (a phrase coined by Sir John Eden, Minister for Industry) then consisted only of himself and his chief executive-presumptive, Mr. Archibald Gilchrist, a 42-year-old engineering executive who left the shipbuilding industry seven years ago. It was even compared to "Monty Python's private circus" by Mr. James Reid, the shop steward at Clydebank.

So Mr. Stenhouse had a credibility problem vis-a-vis the work force. He set about overcoming it in his usual blunt and direct way, by forcing open the communications hatch to the unions via Mr. Dan McGarvey, and by recruiting to his Board the one key man who could both command the respect of the men and add shipbuilding expertise to his Board—in other words, Mr. Ken Douglas.


Mr. Hugh Stenhouse
Beyond his terms of reference.

For the past few months Mr. Douglas has been a deeply frustrated and disappointed man. Brought to the UCS by Mr. Wedgwood Benn, Mr. Davies's predecessor, barely two years ago to save it from bankruptcy, he had managed to cut down considerably on the enormous losses suffered in the first two years and get it to a position—so he still claims—of break-even, with profitability next year.

His efforts came to naught in June when UCS went into liquidation and since then he has been helping the liquidator, Mr. Robert C. Smith, to complete the remaining ships on the books—a few months' work.

Mr. Douglas was also smarting under what appeared to be a blanket condemnation of the UCS management by the Government's advisory group—"four wise men"—whose recommendations embodied in the White Paper of July 29 are still the Government's sole basis for "reorganising" shipbuilding on the Upper Clyde.

Mr. Douglas claims that the advisory group accepted what amounts to the principle of his own ideas: had he not himself, in a memorandum last January, suggested a streamlined operation based on Govan and Linthouse? But, says Mr. Douglas, the "four wise men" undermined the viability of this plan by cutting both output and labour force to an uneconomic size.

Mr. Stenhouse, however, appeared—and still appears—unimpressed by both the White Paper and the Government's apparent mistrust of any member of the UCS top management. He found that Mr. Douglas, a chief executive for the past 17 years, was reluctant to play second fiddle to Mr. Gilchrist, so after many hours of bargaining, he and Mr. Gilchrist persuaded Mr. Douglas to join the Board as deputy chairman, on a non-executive but nearly full-time basis.

His appointment was announced on Wednesday in the middle of Mr. Stenhouse's talks with Mr. McGarvey and his colleagues which ended by his agreeing to extend his interest beyond Govan-Linthouse.

By this time, Mr. Stenhouse was aware of the proposals by Charles Connell and Co., pre-UCS owners of the Scotstoun yard, to include it in the new Government-backed set-up. The proposals, supported by a consultants' report and a review of sales prospects and their relation to local facilities, had been rejected by Sir John Eden on behalf of the Government.

Mr. Stenhouse took no notice and promised to carry out his own study into the feasibility of adding Scotstoun to Govan-Linthouse. But he still refused to "stretch" as far as Clydebank.

In return, he demanded co-operation for his enterprise, and it was Mr. McGarvey himself who called on the stewards to make this "gesture." Yesterday morning, the stewards' leaders, including James Reid and James Airlie, consulted their colleagues and returned to meet Mr. Stenhouse with the blunt answer: "Co-operation, provided we talk about all the yards, Clydebank and Scotstoun included."

Mr. Stenhouse was in some considerable quandary. Asked to head a company operating a single yard with a steel factory and a labour force of 2,500, he was now faced with a demand to take over the other two yards as well: in effect the whole of UCS and its 8,000 employees, including some 500 involved in the "work in." The whole idea flew right in the face of Government thinking and action so far, including the recommendations of the "four wise men" and innumerable ministerial speeches from Mr. Davies, Sir John and the Prime Minister himself.

On the other hand, he saw a chance of getting a foot inside the tightly-shut door of the yards and their workpeople, both literally and figuratively. The word "co-operation"—the Government's main condition for financial support—was being waved like a magic wand, accompanied by eloquent phrases from the lips of James Reid and James Airlie. Not only did they not bar Mr. Stenhouse's way this time, but invited him to visit the yards there and then. So can Mr. Stenhouse be blamed for once again seemingly shifting his ground and promising to talk to Mr. Davies about Clydebank as well?

To-morrow, Mr. Stenhouse is leaving for his twice-postponed business trip to Australia and New Zealand, leaving Mr. Davies to resume the dialogue with Mr. McGarvey, local officials and the stewards next Tuesday. Whether Mr. Davies likes it or not, the talks will concern the three UCS yards and fabrication shop. No one is sure whether it will be as one unit re-named Govan Shipbuilders; or the smaller set-up envisaged by the Government, plus generous help to prospective buyers for Clydebank and Scotstoun. The Confederation (which would settle for the latter) and the shop stewards are still talking different language.

So unless there is a dramatic change of Government mind—of which there has so far been no sign whatever—next Tuesday's meeting should end in the most resounding deadlock even by UCS standards. But wait . . . anyone who has followed the history of this ill-fated, ill-assorted group over the past four years must beware of predicting anything so drastic.

It is still possible, especially if one considers the tough talk on both sides (or three if one assumes a subtle difference of emphasis between the official leadership and the stewards): but then are they not still talking, with ships continuing to be built, launches taking place and scheduled and certain owners still willing to renegotiate contracts?

### Much to lose

Both the Government and the unions have a great deal to lose and little to gain by Upper Clyde ceasing to build ships. Mr. Stenhouse, cajoled into taking on his unenviable task, now with co-operation at his elbow (even if on terms which may prove to be unacceptable) is in a strong bargaining position vis-a-vis the Government particularly in the present economic climate and the Government's growing unpopularity.

On the other hand, the unions—and the stewards in particular—cannot push their luck too far either. There now seems to be a reasonable chance of saving the majority of the 8,000 jobs at stake instead of less than one-third. Will the people in the yards accept an all-or-nothing attitude, with the prospect of losing everything? So, it seems, the saga will go on, after next Tuesday and for a long time yet.



## Conference will discuss effects of VAT

THE EFFECT of changes in Value Added Tax and Corporation Tax announced in this year's Budget will be discussed at a two-day conference sponsored by the Financial Times and the Institute for Fiscal Studies on November 10 and 11, in London.

The first day of the conference will be devoted to VAT and will examine Government plans for its introduction in April, 1973. Its possible effect in Britain will be compared with the experiences of countries already in the Common Market.

The discussion on Corporation Tax on the second day will be opened by Mr. Patrick Jenkin, Financial Secretary to the Treasury, who will explain the Government's reasons for making this fundamental change in the tax law. Professor Nicholas Kaldor will analyse the new measures. The tax will also be discussed in relation to its operation in the Common Market and its effects on companies in the U.K.

The conference will conclude with an open forum on tax reform which will enable delegates to question speakers on how tax changes will affect the British economic environment and the development of various business sectors.

Speakers on VAT will include Mr. R. W. Radford, deputy chairman of the Customs and Excise; Mr. Dick Taverne, Labour MP for Lincoln and director of the Institute for Fiscal Studies; Professor J. van Hoorn, International Bureau of Fiscal Documentation; Professor W. B. Reddaway, of Cambridge University; and Mr. Ralph Turvey, of Scientific Control Systems.

The chairman for the first day will be Sir Alec Cairncross, Master of St. Peter's College, Oxford.

Speakers on the second day on Corporation Tax will include Mr. R. T. Esam, manager of the Taxation Department, Shell; and Professor van Hoorn. The chairman will be Professor Cedric Sandford, of Bath University.

## PILING TESTS FOR HUMBER BRIDGE

The first major piling tests for a start in the New Year on the £25m. Humber Bridge project has begun at the South Anchorage at Barton-on-Humber. Raymonde Concrete Pile is carrying out the tests, using the Raymonde hollow cylinder pile.

The 4,850 feet long suspension bridge is expected to be completed by 1976. Freeman Fox and Partners, the consulting engineers, have opened a site office at South Anchorage.

## Law Reports

# Judge refuses temporary order to Maxwell

MR. ROBERT MAXWELL, former Labour MP., failed yesterday in his High Court move to get temporary orders halting a Department of Trade and Industry inquiry into two companies with which he had been concerned.

But the two Ministry inspectors conducting the two-year-long inquiry undertook not to deliver their interim report to the Department until Mr. Maxwell has appealed to the Court of Appeal against yesterday's decision.

Mr. Maxwell contended that the report—about Pergamon Press and International Learning Systems Corporation—was unfair to him because he had not been given the chance to answer criticisms upon which the inspectors had based their conclusions.

Vacation judge Mr. Justice Forbes said the inspectors did not give Mr. Maxwell a chance to deal with their tentative criticisms.

### Pending action

In a pending action against the department and the inspectors, Mr. Maxwell seeks orders and declarations stopping them from continuing with such parts of the inquiry as might be concerned with any of his acts or omissions.

Giving judgment, Mr. Justice Forbes said the inspectors began to investigate the affairs of the two companies in September, 1969.

The inspectors were faced with the difficulty that Mr. Maxwell wanted the inspectors to give a number of undertakings which they found themselves unable to give. Mr. Maxwell and others thereupon refused to give evidence and the inspectors had to apply to the Courts.

After a Court of Appeal judgment on the matter, Mr. Maxwell gave evidence to the inspectors over a period from September, 1970, to June, 1971.

The inspectors decided to make an interim report concerning certain matters and this was highly critical of Mr. Maxwell. Despite his protests, the Department of Trade and Industry published the report on July 13.

The plaintiff then issued two sets of proceedings: the first against the Department of Trade and Industry, the second against the two inspectors.

### Injunctions sought

Mr. Maxwell contended that the interim report was contrary to natural justice. He sought injunctions against the two inspectors restraining them from further proceeding into the affairs of ILSC and Pergamon Press so far as it concerned any act or omission on his part.

These would be interlocutory injunctions until the hearing of his action, and Mr. Silkin, QC (for Mr. Maxwell) had contended that all his lordship had to do was to decide what was best to maintain the status quo.

The judge said he had come to the conclusion that in a case of this sort where the character of two men eminent in their profession was being impugned that he would be wrong to contemplate granting an interim injunction unless there was a prima facie case established that the plaintiff would succeed in the main action.

It was necessary to consider the circumstances of the inquiry of which the conduct was being criticised. It was set up under the 1948 Act as amended by the 1967 Companies Act. The inspectors were appointed under Section 165 (b).

The section stated that "inspectors MAY and, if required, SHALL, make a final report to the Board."

The judge said: "It will be seen that the inspectors have no duty to criticise anybody. Their primary task is to act in a statutory fact-finding capacity."

If in the course of their investigation they felt it their duty to make criticism of the conduct of certain persons they abandoned their fact-finding role and took over the role of accusers.

### Public interest

The plaintiff had refused to answer questions put by the inspectors unless they gave assurances as to the future conduct of the inquiry, and this the inspectors refused to do.

The company directors had wanted to see transcripts of witnesses and documents produced against them, and this was refused.

Counsel for the inspectors had said that they should be masters of their own procedure. They should make their report with courage and keep nothing back; public interest required it.

Dealing with the course of the investigation as it concerned Mr. Maxwell, the judge said that the inspectors asked him questions about his conduct and actions in a number of specific areas. They also put to him the criticisms of other persons. But at no stage did they indicate to him that they were minded to make any criticisms themselves or indicate the form those criticisms would take.

The inspectors in their interim report put the blame for the final failure of ILSC squarely on Mr. Maxwell. Their conclusion amounted to banning him permanently from business life.

Nowhere was this put as criticism to Mr. Maxwell. Nor was he warned that such criticism was likely to be made.

Mr. Raymond Kidwell, QC, for the Department of Trade and Industry, contended that so long as the inspectors indicated fairly the areas over which their investigation was to range, and gave Mr. Maxwell a fair opportunity to explain his conduct within those areas, that was enough.

### His duty

Mr. Maxwell, counsel argued, knew at all times that his conduct stood to be criticised and that it was his duty to produce all the evidence he wished to produce relevant to the area of questioning.

The inspectors had also given him every opportunity to add to his evidence.

It was perfectly true, the judge continued, that the inspectors gave Mr. Maxwell every opportunity to add to his evidence and permitted his examination after his advisers had read the transcripts of his evidence.

But if it was wrong not to give notice of criticism to be made when a witness was first examined, the error could not be cured by giving an opportunity for re-examination.

It was a fundamental rule of natural justice that before being convicted of any offence a man should know the substance of the charge made against him.

"For myself I cannot see how this rule can be satisfied unless a man knows both the fact he is being charged and the identity of the charge that is being made. In order to satisfy this rule the charge must be formulated with some precision."

It was also necessary to acquaint the man with the substance of the evidence against him before asking him to make his defence.

### Informed of reasons

It was insufficient merely to put to the witness possible criticism of his conduct. It must be brought home to him that he stood to be criticised by the inspectors in a particular fashion and informed of the reasons for reaching that provisional conclusion.

It was conceded that the inspectors at no time formulated tentative criticisms and gave Mr. Maxwell an opportunity of dealing with them.

"It follows that, in my judgment, the probability is that the trial judge would find a failure by the inspectors to direct themselves properly as to the rules of natural justice which should govern this investigation.

"My decision in this matter most emphatically does not mean that the inspectors have been unfair.

"It merely means that it is likely that at the trial of this action they may be found to have taken a wrong decision in a field where the landmarks are few and the terrain confused."

Mr. Maxwell could not have complained if the inspectors had given him a copy of their interim report in draft form and then asked him to deal with the criticism.

But if the order he sought was granted, it would prevent the inspectors from continuing their investigation. In his pending action he asked that the inspectors' report be declared a nullity and that they should be prevented from delivering any further report.

"If it were so determined, new inspectors would have to be appointed and the work of two years would be wasted," added the judge.

The inspectors, however, had undertaken not to deliver the report to the department until the Court of Appeal had dealt with the present application, subject to Mr. Maxwell moving quickly with any appeal.

In these circumstances, he was not prepared to make the interlocutory injunction sought.

The judge ordered a speedy trial of Mr. Maxwell's action but said an appeal to the Court of Appeal against his judgment yesterday might well dispose of the whole matter.

The judge considered the litigation must be disposed of as quickly as possible. Leave to appeal was not necessary.

The judge said costs of the present eight-day hearing—expected to be substantial—would be "in cause." "This is an extremely complicated matter and the Appeal Court will decide it," he said.

### "Very satisfied"

Afterwards Mr. Maxwell said: "I am very satisfied with the outcome. The judge has fully vindicated my view that the inspectors' report was not prepared in accord with natural justice."

He added: "Because the Department of Trade and Industry have given an undertaking not to hand over the report before the Appeal Court hearing, there was no need for the judge to issue the injunction."

But because the injunction was not granted "technically we will have to appeal," said Mr. Maxwell.

*Mr. Samuel Silkin, QC, and Mr. Anthony Grabiner (instructed by Messrs. Lewis Silkin and Partners) for Mr. Maxwell; Mr. Raymond Kidwell, QC, and Mr. Gordon Slynn (instructed by the Solicitor for the Department of Trade and Industry) for the Department and the inspectors.*

# Turbulent time for BEA cut-fare plan

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH European Airways' plan for very cheap air fares in Europe has run into such difficulties at the current International Air Transport Association's fares conference in Miami, Florida, that it may become necessary to discuss it at an entirely separate meeting elsewhere at a later date.

The BEA plan, announced some weeks ago by Mr. Henry Marking, chairman, proposes cuts of up to 50 per cent. in normal tourist return fares to almost every European destination, subject to certain conditions, such as full payment several months in advance.

### Opposed

The plan has already been strongly opposed by other European airlines, and although it has been discussed over the past four weeks in Miami, talks on it have now been recessed for a time whilst the airline delegates concerned get on with other—and so far as they are concerned—equally important matters relating to other parts of the world.

No date has yet been set for reconvening that section of the overall Miami conference relating to the BEA fares plan, and it is thought possible that because of the complexity of the conference—it is discussing fares covering every part of the world except the North Atlantic—there will be no time for this particularly European problem to be reconsidered there.

So the view is gaining ground that the Miami conference may come to an end in late October with no decision on European fares, and an entirely separate conference may have to be called to thrash the whole matter out in a calmer atmosphere.

But the conference is believed to be near settlement of some other world fares issues, including those for the North, Central and South Pacific regions, where it is expected that, apart from some adjustments downwards, the overall status quo is likely to be observed.

As far as North Atlantic fares are concerned—where an "open rate" or "free-for-all" becomes effective from next February 1—Pan American World Airways said in New York yesterday it would not allow itself to be undercut by any other airline on the North Atlantic.

This is interpreted to mean that if Lufthansa, the West German airline, goes ahead on February 1 with its plan for very low fares on the route, Pan American will follow suit.

But it is now increasingly felt that long before February some solution to the North Atlantic situation will have been found, even if this means resorting to inter-Governmental action.

The most popular view is that the U.S. Government, through the State Department and on the advice of the Civil Aeronautics Board, will tell West Germany that under the existing bilateral air agreement between the two countries Lufthansa's cheap fares plan cannot be accepted.

If this occurs, there will have to be inter-Governmental discussions on the matter, which could well result in some modification of the Lufthansa stand.

### SAFETY BELTS FOR FORD CARS

All cars in the Ford range are to be fitted with the company's single-handed safety belt fastening system, it was announced yesterday. Such a device becomes compulsory by law in 1973.

# Amery raises cost limits to speed house building

BY JOHN HUNT

PROPOSALS TO increase the pace of house building, particularly in the lagging public sector, were put forward yesterday by Mr. Julian Amery, the Minister for Housing and Construction.

Mr. Julian Amery

As an immediate measure, the Government housing cost yardsticks—which lay down the maximum costs at which local authorities can build—are to be increased by up to 11 per cent.

For some time, local authorities have been protesting that the levels were too low and had not kept pace with escalating building costs. Mr. Amery's announcement means they can now build at more realistic prices.

The increases, which became effective yesterday, were just over 11 per cent. for Inner London, just under 10 per cent. for Outer London, 8.6 per cent. for the London periphery, and from just under to just over 7 per cent. for all other areas.

### 'Build for sale'

The Minister indicated that it might be desirable for local authorities to build their own houses for immediate sale, in addition to the present programme of selling existing council houses.

Mr. Amery was speaking in London to a conference of London boroughs which he had called to consider the grave shortage of homes in London. Much of his speech was devoted to solving this particular problem.

He hoped private developers would respond to the challenge to build more homes in the Metropolis, but, if this did not happen, other means to provide houses for sale would be sought.

"In these circumstances, it might become necessary for local authorities themselves to build houses for sale," he declared. "The main thing, after all, is to provide a wide choice between rented and owner-occupied property at prices people can afford."

The situation in London was worse than thought. Two years ago, it was predicted there would be a shortage of 100,000 homes in London by 1974. Since then, the average net gain in housing had fallen 4,000 behind this level, and would be 15,000 behind by 1974 unless action were taken.

"We must get more land and get it quickly. We must put up houses on the land by any and every agency," he said.

Over the past two years, the proportion of new homes built for sale in London was about half the national average, and steps should be taken to give Londoners the same opporunity for owner-occupation as enjoyed elsewhere.

There was a danger that builders in London might concentrate on expensive houses, and local authorities should ensure that there was private building in the low price range of about £5,000 to £8,000. He urged authorities to appoint special officers to keep in touch with private builders prepared to provide low- or medium-priced homes.

The Minister called on the Greater London Council to identify sites and bring them into housing without delay, particularly vacant sites and those suitable for housing, but used for other purposes.

There was still too much land lying idle in London. Railway land was a classic case, and he had asked Mr. Peyton, Minister for Transport Industries, to "bulldoze" any obstacles to release of this kind of site.

He had also asked Government departments and public bodies to consider surrendering sites for housing as a matter of urgency. His department was prepared to consider the use of derelict allotments, disused industrial land, abandoned warehouses or nursery land.

Mr. Amery suggested that local authorities should look again at densities which they imposed on residential development. Small increases in density would go a long way to provide extra houses.



# Trailer ship joins Common Bros. fleet

By James McDonald

THE 5,350 deadweight tons Caribbean Endeavour—a new roll on—roll off trailer ship—has joined the fleet of Common Brothers, the Newcastle shipowners and ship managers.

Built in Hamburg, the vessel is beginning a two-year charter in the Mediterranean to Monarch International, of Dublin. She will operate between Trieste and Greek ports and can carry 93 40-feet trailers or, alternatively, 52 trailers and 76 40-feet containers.

Two 40-feet containers, easily removable, have been fitted to provide a high standard of accommodation for 12 trailer drivers.

# Multi-ride London bus tickets plan

AN EXPERIMENTAL multi-ride bus ticket plan was announced by London Transport yesterday. Passengers will buy an eight-ticket strip entitling them to the first ride. On the next eight journeys they will tear off a ticket and put it in the fare box.

The experiment starts on Ealing's three flat-fare services on Sunday. Nine journeys will cost 30p instead of 36p.

Fewer cash transactions with the driver will help speed services, said a London Transport spokesman.

"We are considering a further experiment in pre-paid tickets involving other types of services, so naturally we shall be interested in public opinion about the Ealing experiment."

## LONG-RANGE WEATHER FORECAST

# Warm month ahead

THE LONG-RANGE weather forecast for October, issued yesterday is for warm weather everywhere and a dry first half of the month.

The month is expected to start with at least one week of warm weather in most districts, with occasional rain only in North-western areas. During this period, South-Eastern areas will probably have a good deal of sunshine after early fog patches.

Later, some disturbed spells are likely, especially in western districts, and more particularly in the second half of the month.

Temperatures are expected to be above average in East Anglia, the Midlands, South and South-East England, and much above average in all other districts.

Northern Ireland can expect rainfall totals above average, but they will be below average in North and East Scotland and East and North-East England. Rainfall should be about average elsewhere. Morning fog may be more frequent than in recent years during the month.

# U.K. 'could be poised for a revival'

BY HAROLD BOLTER, INDUSTRIAL CORRESPONDENT

BRITAIN MAY at last be heading along the road back to economic sanity, Sir John Partridge, president of the Confederation of British Industry, suggested yesterday.

"If I am right in this—and the next few months will show—we could, I believe, be better poised for a revival of economic activity, of investment, and of general business confidence, with all that these things mean for employment prospects, than we have been for years past," Sir John said.

### Hard going

The road to economic sanity, including pay and prices sanity, was bound to be hard going. The CBI wanted to see a higher level of economic growth, unemployment reduced, real wages and salaries increased; and a resurgence of business confidence.

Those objectives were the backcloth to the CBI's initiative on prices restraint, to which there had been an "overwhelmingly favourable" response.

Sir John, speaking at the annual lunch of the CBI Northern Ireland regional council, said it was impossibe to assess at all closely the impact on the U.K. of the measures recently taken by the U.S. Government and of the consequential disturbances in the international monetary field.

"It will be a bad day for world trade if the pendulum swings significantly away from the liberalising tendencies of the past two decades towards protectionism," he declared.

"Governments and industrialists everywhere need to do all in their power to avert that danger. We in the U.K. have a vital role to play in this, just as we have a vital role to play in the European Community. We shall play these roles to really good effect only if we can get the inflation bug out of our system."

Sir John said there was a fund of good will towards Northern Ireland that its present adversities had not diminished. "But goodwill is one thing. Investment born of confidence is another."

He emphasised that industrial production in Ulster had increased by over 50 per cent. since 1963, compared with a rise of 24 per cent. for the U.K. as a whole.

Sir John pointed out, too, that the order books of Northern Ireland industry were generally in good shape, and that deliveries were up to schedule. In addition, the very great majority of industrial establishments in Northern Ireland were functioning normally.

### Vital task

"Yet, when all this is said and understood, it must be true that, so long as your present tensions remain, they are bound to react adversely on your future industrial and economic development, on which employment prospects, social advance and so much else depends.

"Meanwhile, industry's task here will remain an absolutely vital one—vital as a cementing and stabilising influence in these present troubled times, vital as a main bulwark of Ulster's best aims for the years ahead," Sir John concluded.

# Research service for U.K. shipowners

BY JAMES McDONALD, SHIPPING CORRESPONDENT

A NEW AGREEMENT reached between the British Ship Research Association and the U.K. Chamber of Shipping will lead to a closer working relationship between the association and individual shipowners, the BSRA announced yesterday. The agreement provides flexible research arrangements for individual shipowner although BSRA will undertake as much as possible of the Chamber of Shipping's corporate research programme.

Two categories of membership of BSRA are now open to shipowners, who will have a choice of access to research results related to particular requirements.

Under the scheme, there is a new category of "Shipowner Member" of BSRA, which is open to British firms of shipowners or managers. Overseas companies may also be admitted, subject to certain conditions.

Subscriptions for membership will be £3,000 a year and the members receive a wide range of benefits and services, including research reports, technical memoranda and other publications covering naval architecture, marine systems, materials and instrumentation, consultancy and computing at preferential rates and use of the services of the technical information division.

The second category is "Associate Member (Shipowners) and in this case the subscription is £200 a year. These members will receive certain publications and have access to "reasonable services" of the technical information division.

Also, members in this category will be able to use consultancy and computing services and companies will be able to buy research reports, technical memoranda and other related publications of particular interest to their business.

Subscriptions for both categories have been fixed for a three-year period.

# Hold up for air cargo link to France

THE FRENCH GOVERNMENT were blamed last night for the postponement of the first air cargo link between the East Midlands and the industrial north of France which should have started to-day.

Up to 21 journeys a week are planned under a licence issued to Sagittair operating between the East Midlands Airport at Castle Donington, near Derby, and Lille in France.

The flights link with surface transport at Lille for the distribution of freight throughout France, Holland and Germany.

But the French Government has still not given formal diplomatic clearance for the service to start.

A spokesman for Sagittair said: "Although the French have no alternative but to give clearance under reciprocal agreements, they seem to be holding things up having realised that our capacity with this new service is very great indeed. We think they may be hesitating to consider what reciprocal can be made."

# BANK RETURN

| — | Wednesday September 29 1971 | Inc. (+) or dec. (—) for week |
|---|---|---|
| **LIABILITIES** | £ | £ |
| Capital | 14,553,000 | — |
| Public Deposits | 14,582,380 | — 835,567 |
| Special Deposits | Nil | — |
| Bankers | 200,265,227 | + 25,799,387 |
| Reserves & Other A/cs | 263,041,906 | + 9,456 |
| | 512,982,573 | + 24,973,278 |
| **ASSETS** | | |
| Govt. Securities | 319,692,712 | + 20,045,000 |
| Advance & Other A/cs | 26,738,317 | + 1,398,621 |
| Premises, Equip't & Other Secs. | 129,609,352 | — 756,397 |
| Notes | 36,057,717 | + 4,371,509 |
| Coin | 904,475 | + 14,545 |
| | 512,982,573 | + 24,973,278 |
| Reserve | 36,942,192 | + 4,386,054 |
| Bank Rate | 5% | — |

ISSUE DEPARTMENT

| | £ | £ |
|---|---|---|
| **LIABILITIES** | | |
| Notes Issued | 3,675,000,000 | — 25,000,000 |
| In Circulation | 3,638,962,283 | — 4,371,509 |
| In Bank's Dept. | 36,037,717 | + 4,371,509 |
| **ASSETS** | | |
| Govt. Debts | 11,016,100 | — |
| Other Govt. Secs. | 3,244,293,735 | — 13,636,198 |
| Other Securities | 419,541,165 | + 13,636,198 |
| Coin | 150,000 | — |
| | 3,675,000,000 | — 25,000,000 |

# SIB book shows way to profitability

By James McDonald

THE Shipbuilding Industry Board—to be wound up at the end of this year—has produced a book, "Accounting and Reporting for Managers in Shipbuilding," which will be published on October 12. It has the appearance of a parting shot.

The book, it is claimed, shows the way to profitability through effective management control, based on reliable measurement of work done. It also claims to show how management can build an information system that can help each individual to do his job more effectively and—through a series of worked examples—what the minimum standard of reporting to managers must be.

SIB says that the book, when published, will make it clear that any total production planning for shipbuilding must be integrated with the system of budgetary control; with cash, contract and project control, and with a five-year company forecast.

The work leading to the publication of the book was initiated by a group consisting of the finance directors from five of the leading shipbuilding concerns in the U.K. with Mr. A. S. Ashton, a member of the SIB and Board member for finance and corporate planning at the Post Office, as chairman.

The group of finance directors called in Price Waterhouse, the accountants, to make recommendations for raising the standards of cost accounting and reporting in the industry. The book has been prepared by Price Waterhouse from the results of study groups of financial and technical staff from the participating yards.

# Zebras get a zig-zag stripe

ZEBRA crossings are to have a new control area on each side, indicated by zig-zag markings, within which vehicles will be banned from overtaking. This will introduce, for the first time, a legal ban on overtaking at pedestrian crossings under the Zebra Pedestrian Crossings Regulations 1971, now laid before Parliament.

The zig-zag marked area replaces the existing approach stud markings, and will incorporate a "give-way" line about a yard from the crossing at which drivers should stop to give way to pedestrians. The alternate black and white stripes marking the actual crossing, the striped posts and the illuminated globes (Belisha beacons) will remain unchanged.

The zig-zag markings will serve four purposes:

- Make crossings more conspicuous to approaching drivers;
- Mark out an area on each side of a crossing in which vehicles must not wait or park;
- Mark out an area on the approach side of a crossing in which overtaking is prohibited; and
- Mark out an area on each side within which pedestrians should not cross the road.

# Rise in new work for architects

By Justin Long

NEW COMMISSIONS for architects in private practice rose by almost 10 per cent. in the second quarter of 1971, and are now at the highest level for two years after allowing for inflation, according to a report issued yesterday by the Royal Institute of British Architects.

At current prices, the quarterly figures at the end of June stood higher than at any period since the second quarter of 1964.

The recovery was felt in all sectors except private industrial work, where at current prices there was a decline in the second quarter as compared with the first quarter of 4 per cent.

## Developments

It suggested that, for private architects, main categories of prospective developments were in housing estates, offices and shop blocks and hotels, rather than in factories and factory extensions. But in the private industrial sector, which anyway is comparatively small, the figures tend to fluctuate and are less meaningful.

The overall atmosphere of improvement in the quarter under review had not, however, reached the figures for the value of work entering the production drawings stage. This fell by 2¼ per cent. in real terms to a level of £431m.

The estimated value of new work for which private architects were commissioned rose to £602m. in the second quarter, against £534m. in the first quarter and £501m. in the second quarter of last year.

The housing sector showed an overall increase, again at current prices, of over 20 per cent., showing a value of £228m. in new commissions in the second quarter, compared with £185m. in the first quarter.

# Maudling in talks with Jockey Club

SIR HENRY BENSON and other representatives of the Jockey Club yesterday saw Mr. Reginald Maudling, Home Secretary, to press for the adoption of recommendations for overhauling the racing industry, as put forward in the Benson committee's report in 1968.

The club wants a new statutory racing authority to control and develop the racing industry as a whole. The Benson committee also recommended sweeping alterations to racing's prize money structure.

A further meeting is expected shortly.

# Accountants agree rise in subscriptions

By Michael Blanden

THE Institute of Chartered Accountants in England and Wales yesterday succeeded in its request for a 10 per cent. increase in members' subscriptions, taking effect from the beginning of next year.

The increase was required to help the institute out of the deficit it expects to incur this year, and to maintain and expand its important research efforts into the principles of accounting.

On a perhaps surprisingly small vote in view of the issues involved—a total of 12,601 voted out of the membership of some 50,000—the proposal just achieved the necessary two-thirds majority. Of the votes cast, 8,642, or 68.57 per cent., were in favour, and 3,959 against.

# Six may opt for British tax system

HARMONISATION OF direct taxes within the Common Market has made much less progress than indirect taxes, Mr. John Chown, Financial Times taxation correspondent, says in the September issue of The Investment Analyst.

Tax was only one factor in a decision on where to live or locate a factory. With the freedom of movement for people and capital within the EEC, market forces rather than any resolutions of the Commission were likely to keep tax rates generally in line, he argues.

Which of the three basic systems of company taxation would be adopted within the Community seemed unlikely to be resolved in the near future.

The debate in the Six was between those who favoured the "classical" system, now used in Britain, and those who wanted to harmonise on the French imputation system as amended to give credits to non-residents.

The preference of the Inland Revenue in the U.K. for the two-rate system, currently used in Germany, could make it a serious contender, Mr. Chown suggests.

# New Series III Land-Rover

A SERIES III Land-Rover is announced to-day by British Leyland, just over 23 years after the vehicle's introduction in 1948.

It is outwardly identified by a new-style grille, but the new model incorporates important changes to improve safety—an improved gearbox with synchromesh on all forward gears, and many other engineering improvements.

A Rover spokesman said that since 1948 the Land-Rover had undergone a continuous process of modification and development. Nearly 770,000 have been produced, of which 75 per cent. have been exported to 180 overseas markets. They have brought in over £400m. in foreign exchange. Current output is about 1,250 a week.

# Foreign Office confirms name of Soviet defector

BY MICHAEL SIMMONS, EAST EUROPEAN CORRESPONDENT

DESPITE the currently icy climate of Anglo-Soviet relations, Britain is to give its full weight next week to the NATO proposition that an All-European Security Conference could be held as soon as the middle of next year. Such a move could prove rather embarrassing for the Russians, who have recently been arguing that Britain was putting most of the brakes on the holding of such a conference.

As unofficial reports circulated in Moscow to the effect that a list of 20 Britons to be expelled had been drawn-up by the Soviet authorities, the Foreign Office confirmed that the senior KGB man who defected a few weeks ago was, in fact, Oleg Lyalin, a former member of the Trade Delegation in Highgate.

But it would say nothing more about the man. There was no comment about his non-appearance in a London Court yesterday to face charges of driving while drunk, and no comment at all on a report that he had been paid as much as £30,000 by British security services for information he had given them.

Last Friday, when the mass expulsion was announced, the Foreign Office indicated that a KGB defector had in fact shed considerable light on both the scale and the nature of Soviet intelligence operations in this country.

Sir Alec Douglas-Home, the Foreign Secretary, told a news conference at the United Nations yesterday that during his conversation with the Soviet Foreign Minister, Mr. Andrei Gromyko, earlier in the week, Mr. Gromyko had said nothing about retaliatory measures to be taken against Britain.

Sir Alec reiterated his hope that Anglo-Soviet diplomatic relations were on a good basis, adding: "That is certainly our intention."

## MBFR discussions

In Whitehall, meanwhile, it is being made clear that Britain's bilateral relations with Moscow, including the events of the last week, should in no way influence the deliberations next Tuesday and Wednesday of the NATO Deputy Foreign Ministers, who are to meet in Brussels to discuss mutual balanced force reductions (MBFR).

Mr. Joseph Godber, Minister of State at the Foreign Office will be Britain's delegate and he is expected to support the move that Sig. Manlio Brosio, until yesterday NATO's Secretary-General, should be appointed roving commissioner to explore the possibilities of multi-lateral talks on MBFR and security with selected leaders in Eastern Europe, including the Soviet Union.

The British view at this stage is that, whatever may become of Anglo-Soviet relations in the short term, it is more than likely that multilateral East-West talks on both MBFR and European security could, in fact, be held by June or September of next year.

Discussing the BBC film on The Great Spy Scandal, shown last night, the Home Office stated—a few hours before the film was shown—that a "clip" and two stills had been supplied to the BBC as documentary evidence. They dated from 1968.

The Soviet diplomat shown in the film was named as Vladislav Drozdov, who early in 1968 was caught in the act of collecting "sensitive" material from a dead letter box. At the Foreign Office's request, he was immediately withdrawn from the country after this incident.

Meanwhile, writing in the New Statesman this week, the journal's editor, Mr. Richard Crossman, suggests that the present Prime Minister's reversal of Mr. Wilson's policy of dealing "quietly" with the espionage problem "seems to have more to do with politics than the security."

He adds: "The Prime Minister, we judge, has decided to use this opportunity for yet another display of the kind of 'strong' Conservative Government which will stand for no nonsense from foreigners, least of all from ill-intentioned Communists under the bed."

# LEEDS

Financial Times Survey

# The new Yorkshire capital

By ROY HODSON, Regions Editor

Leeds people have been showing commendable patience for some years past. They have been living in a perpetual muddle of noise and building dust as much of their Victorian city has been torn down and gradually replaced by tracts of new housing, by a traffic-free city shopping centre and by an urban motorway system which is being grafted on to the northern end of the M1. Their patience is being rewarded at last. What is virtually a new city can now be said to be in more or less working order, although much remains to be done.

The motorways are changing the economic geography of the North of England so quickly that a number of uncertainties are arising about the future roles of traditional centres of power and influence. Property developers, by their concentration upon certain places, give a lead. But it is true to say that many commercial concerns and, in particular, service industries, are still unsure which places will be the best to centre their activities on now that there is the imminent prospect of the northern industrial belt (from Lancaster down to Merseyside, and across to Hull and the Humber) being contained within a grid of fast motorways.

No one has any doubts about the future importance of Leeds in the northern scene. In the past the city competed primarily against those other fiercely independent business centres of the West Riding of Yorkshire—Huddersfield, Bradford, Halifax, and Sheffield. In the future Leeds can expect to be looked upon as the acknowledged capital of Yorkshire industrial and business life. The city is now in the later stages of equipping itself physically to be a regional capital in the true sense.

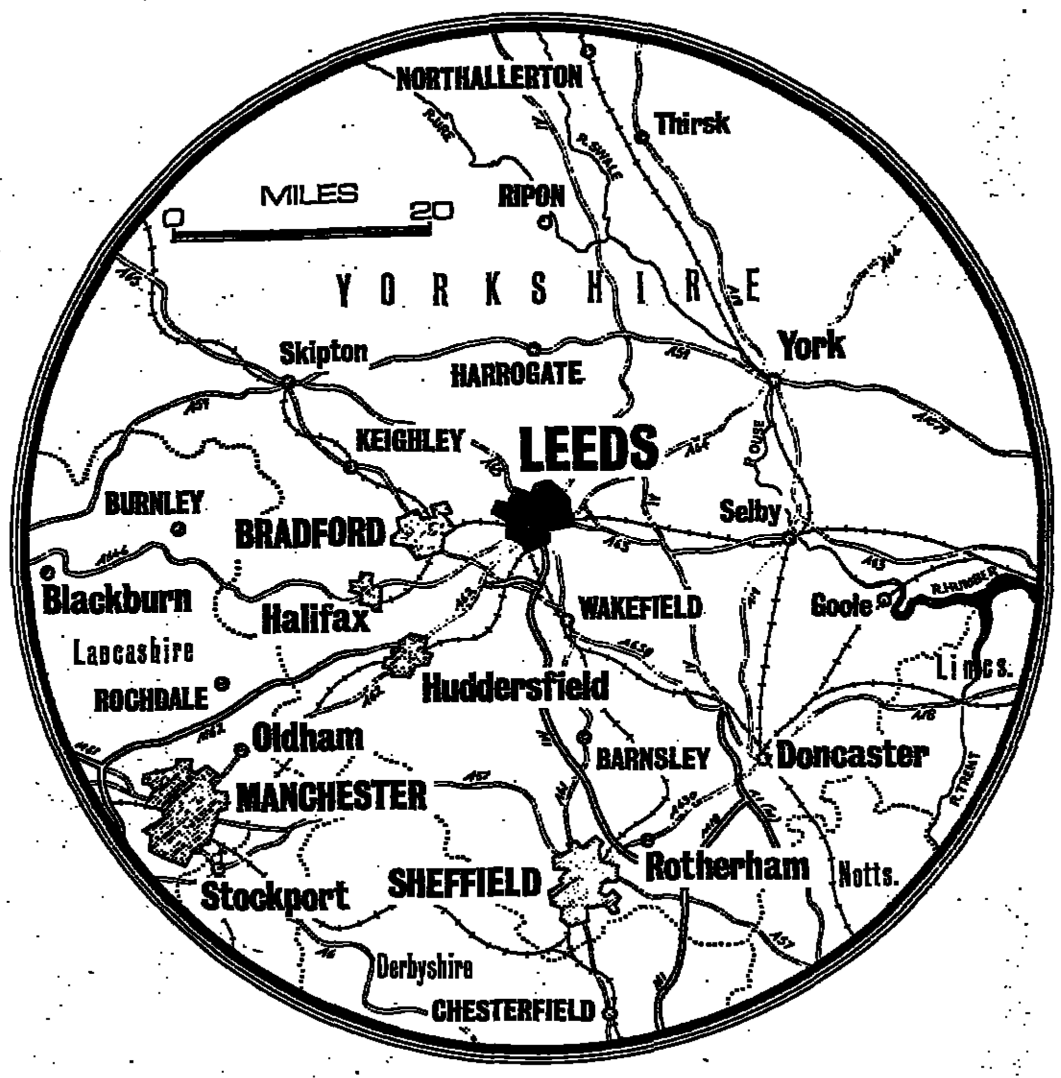
The past few years has seen in Leeds the development of a strong financial community well equipped to serve a region rather than a city's needs. Nowhere outside London is there a wider spread of stockbroking and merchant banking facilities. The industrial pattern of Leeds has always been strong and diversified to a degree which has helped cushion the city from the worst effects of national slumps. Many of the Leeds concerns serving industry are now operating on a regional scale rather than catering for the city alone.

An example of urban development in Leeds.

## Natural choice

When regional economic planning became a reality in the 1960s and the English regions were set up, Leeds was the natural choice for the headquarters of the Yorkshire and Humberside Regional Economic Planning Board and of the council. The "little Whitehall" established in the city as a result of that decision has also played its part in the development of Leeds as a regional capital.

But the biggest single factor likely to enhance the status of Leeds is the forthcoming local government reform. West Yorkshire has been designated one of the half-dozen metropolitan counties to be established outside London. Although the mechanics of the West Yorks metropolitan area have not been worked out yet it is clear that for geographical and economic reasons Leeds will be the dominant force. Indeed, it is likely that the area will be called the Leeds Metropolitan County.




Whereas the present population of Leeds is just over half-a-million the proposed metropolitan county will be nearly 1m. As Leeds is already equipped to provide shopping and other services for a catchment area of up to 3m. her role at the centre of the new metropolitan county should fit her like a glove.

Leeds is a lucky city. Had the physical reshaping been pursued less enthusiastically than it has been, the problems of welding Leeds into the centrepiece of a new metropolitan county would have been daunting. But as far back as 1959 an overall plan for the new Leeds was being drawn up based on a true urban motorway network. Since then the city and Whitehall have been co-operating to achieve something special.

By the middle 1960s the time had come to start work on a £50m. road programme (at price levels then ruling) and the bulldozers moved in to begin 20 years of reconstruction. The programme is now running at peak activity with an inner ring motorway tunnelled beneath a sector of the city centre and every section of construction so healthily on target that the city council is confident that it will have the complete system ready as planned by 1981.

## Plan's philosophy

But roads are not in themselves an end when replanning a city. In Leeds they are being looked upon as the facilities which make everything else possible. The philosophy of the Leeds plan has been to select fast and frequent bus services as the means of public transport and then to plan motorways of sufficient capacity to permit free movement of buses at any time of the day or night. Already the first "Fastaway" bus services are using stretches of the new roads and cutting down journey times from the suburbs to the city centre.

The new transport system will not be operating as planned until the roads are finished. But already it is achieving the rare distinction of operating peak hour services on more or less an economic basis. Furthermore it is attracting commuters who used to use their cars to reach the city centre.

The job of injecting new life into a once grimy and workaday city has followed naturally from the road and transport pattern. A great segment of the city to the north west of the centre is being systematically cleared for one of Britain's largest university precincts. There are 10,000 students at Leeds University already. If you are making a fast journey across the Leeds urban motorway system in the future the tunnelled roads will lead you under parts of the university area. The land was considered too precious to become a sterile motorway cutting.

But the greatest benefit to the average Leeds citizen has been the ability of the planners to devise a true pedestrian central shopping area which is served by, but never confused with, the new motorways. What began as an ambitious enough scheme to keep vehicles out of at least a portion of the shopping area has been extended until Leeds is claiming it will eventually be the biggest traffic-free city centre in Europe. Luckily for the planners the land falls gently through the city from north to south. This feature has been put to good use. At the northern side of the shopping area pedestrian subways are being provided. The shopper finds himself on ground level at the centre of the area. Walk farther south towards the station and the ways emerge on to a series of first floor galleries after the fashion of the medieval Rows of Chester.

As private enterprise developments (shops and offices) are being completed in the area they are having the upper-level pedestrian system incorporated. Pieces are still isolated but by the mid-1970s the dust will have settled for good and this most comprehensive pedestrian system will have been completely linked together.

In some respects the bravest decision taken by Leeds, considering that the city has been choking in the fumes of industry for the past century, was that the traditional industrial district in the southern half of the city should be retained. The pattern of employment is changing, of course. Whereas more than half the employees in the Leeds area used to be in manufacturing, more than half are now in service industries with new city centre offices providing the largest sector of new employment.

Nevertheless, Leeds' traditional industries — printing, clothing, engineering—are still strongly entrenched. The city's intention is that the big industrial areas should be cleaner and brighter places but should be allowed a permanent place in the new Leeds. The alternative was to gradually switch to industrial estates on the edge of the city.

However, Leeds has always been a compact city where people have been used to short travel-to-work journeys. It has also lived for a long time by industry. "Rob Leeds of its industry and you rob it of its heart," said one businessman. Leeds is determined to prove that modern industry and comfortable modern living can exist side by side within the one city.

هكذا من الأصل

# There's a Leeds man on your doorstep~

W. D. Thornton, West End, London, 437-9102/5
D. H. Edwards, Cheapside, London, 606-3353/4
G. N. Gresham-Cooke, City, London, 626-0115/6
R. B. Jones, Golders Green, London, 455-9933/4
R. W. Maggs, High Holborn, London, 242-2021/2
J. R. Slater, Kensington, London, 937-3456/7
R. J. Miller, Streatham, London, 677-0013/4
C. E. V. New, West Ealing, London, 579-0336/7
T. S. Watson, Wood Green, London, 889-4511/2
J. C. Robertson, Aberdeen, 53238/9
F. G. Young, Ayr, 67361/2
B. Stobart, Bath, 60478/9
J. H. Potter, Bedford, 60451/2
R. Lochhead, Beeston (Notts), 251124/5
J. N. Lowry, Belfast, 32844/5
J. H. Drake, Birmingham, 643-3747/8
G. L. Woodhouse, Acocks Green, Birmingham, 706-9737/8
N. W. Turner, Erdington, Birmingham, 373-8223/4
P. Nicholas, Kings Heath, Birmingham, 444-5325/6
R. E. Ramsden, Blackpool, 21461/2
G. Brunt, Bolton, 21818/9
H. F. Dobson, Bournemouth, 26523
R. Sharp, Bradford, 32371/2
D. C. Mugford, Brighton, 25987/8 & 24701/2
D. L. Clarke, Bristol, 26688/9
C. W. Buck, Bromley, 464-2155/6
J. A. Rootham, Burton-upon-Trent, 67975/6
H. Wyles, Cardiff, 33951/2
K. F. Boothroyd, Carlisle, 25325/6
D. F. Gill, Cheltenham, 21253/4
J. Andrews, Chester, 28491/2
C. G. Simmons, Coventry, 23401/2
D. Thompson, Croydon, 686-3960 & 3969
R. D. Armstrong, Darlington, 60239 & 60230
K. G. Skirrow, Derby, 49427/8
J. Smith, Doncaster, 65278/9
J. Smith, Dudley, 57488/9
A. G. Campbell, Dundee, 24168/9
N. Miller, Eastbourne, 20381/2
C. B. Geddes, Edinburgh, 225-2606 & 3078
H. A. Searle, Exeter, 74151/2
D. M. Ritchie, Falkirk, 25213/4
J. Donaldson, Glasgow, 221-6847/8
A. J. Williams, Gloucester, 27531/2
B. Smith, Grimsby, 55941/2
J. C. Grady, Guildford, 60165/6
M. Mitchell, Hamilton, 21001/2
J. Taylor, Hanley (Stoke-on-Trent), 261654/5
H. Johnson, Harrogate, 60433/4
K. W. Severn, Hounslow, 572-2570 & 2579
A. M. Kitson, Huddersfield, 24553/4
J. H. Barber, Hull, Cent. 25642
W. B. Davies, Ilford, 553-1511/2
B. W. Howard, Ipswich, 52015/6
B. Smith-Goode, Keighley, 5530 & 5539
V. M. Field, King's Lynn, 4872/3
R. E. Fitzgerald, Kingston-upon-Thames, 546-0195/6
A. C. Stevenson, Kirkcaldy, 65383/4
W. A. Biercamp, Crossgates, Leeds, 649047
J. Kay, Harehills, Leeds, 623031
N. Weatherhead, Leicester, 22105/6
D. R. Boffey, Lincoln, 27496/7
A. Blackburn, Liverpool, 236-7664/5
J. Wilson, Luton, 32411/2
R. F. Bailey, Maidstone, 55970 & 54721
B. A. Thompson, Manchester, 236-0301/2
J. E. Huffington, Middlesbrough, 44711/2
D. Thackray, Morecambe, 1525/6
D. Y. Forrester, Motherwell, 67636/7
W. Coulson, Newcastle-upon-Tyne, 23091/2
A. Haycock, Northampton, 30458/9
C. H. Threapleton, Norwich, 25124/5
L. R. Timson, Nottingham, 55893/4
J. McG. Breckenridge, Perth, 27041/2
M. T. A. Blades, Peterborough, 68133/4
R. J. Browning, Plymouth, 67103/4
R. G. Horne, Poole, 3804/5
D. Hoyle, Portsmouth, 20589 & 20580
K. R. Mills, Preston, 57771/2
R. Pither, Reading, 51266/7
J. T. McGrath, Redhill (Surrey), 67236/7
B. J. Fearn, Romford, 67019 & 67010
V. G. Webb, Scunthorpe, 5858/9
C. Wright, Sheffield, 20118/9
J. T. Lambert, Solihull, 705-8136/7
J. A. Sunman, Southampton, 24091
H. Alexander, Southend-on-Sea, 62302/3
G. A. Wilson, Southport, 57096
C. L. Merriman, Stockport, 480-7566/7
J. D. Bradley, Sunderland, 77318/9
R. H. Barrington, Sutton (Surrey), 643-2118/9
E. V. Osman, Swansea, 53008/9
G. R. Lunn, Swindon, 6341/2
J. R. Donovan, Torquay, 26531/2
B. P. Pugh, Tunbridge Wells, 33833/4
T. E. Lawson, Wakefield, 72872/3
D. Knowles, Walsall, 25161/2
J. D. Hughes, Warrington, 36811/2
D. T. Randell, Watford, 34756/7
D. Gill, Wembley, 902-4484/5
H. C. Carter, Wilmslow, 29551/2
M. J. Bason, Wolverhampton, 28096/7
R. W. Swallow, Worksop, 5109 & 5100
J. Devanney, Worthing, 34395/6
J. M. Gunson, York, 23048/9

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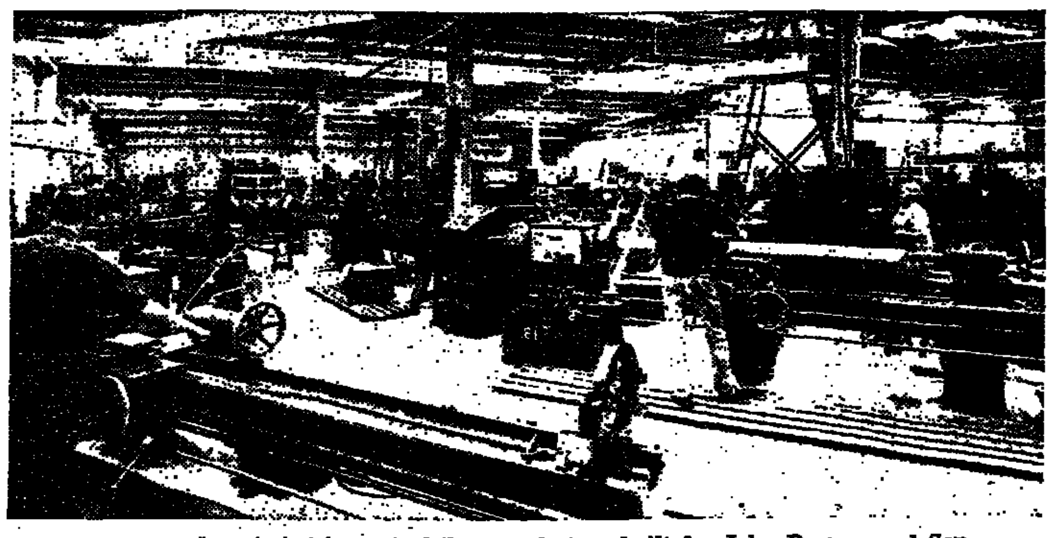
# LEEDS III

# More machine skills in clothing

By FREDERICK ROBINS

Recent redundancies at Montague Burton, Leeds' biggest clothing manufacturer, have turned the spotlight on the industry's major problem: there are too many men but not enough women to staff the many factories in the city.



The engineering department in part of the new factory built for John Dawson and Son.

Redundant men, frankly, have no chance of getting similar employment. Productivity increases coupled with the introduction of more sophisticated work aids have enabled the cutting rooms to turn out more with less labour. But the making up, traditionally a woman's job, needs more hands, and during the recent school holidays the industry went to great steps to attract young girls into the factories. But with the employment of more women, the managers of Leeds' clothing factories are intensifying their "nightmare"—the rapidly escalating cost of labour and the advent of equal pay in 1973.

This is the problem of the immediate future but it reflects the problems of change which the industry is now facing. It has taken something like 120 years for the momentum of change to reach this pitch, for it was only in 1851 that the first record of a manufacturing clothier being in business in the city was made.

## Slum clearance

It has been a civic as much as an economic reason which in recent years has done much to banish the sweat shop reputation of Leeds clothing factories. Redevelopment schemes have bulldozed many of the small back-street factories, while others have found the requirements of modern production techniques quite unsuitable for their cramped premises. So there has been a movement in recent years and quite a lot has gone outside the city boundary.

This has not been because the land has been available in the surrounding areas. More important, the labour has been there. As the slum houses of Leeds have come down, so the clothing workers have moved out to the new estates, both private and municipal, which have sprung up in the suburbs and nearby villages. And while the men of the families have been prepared to travel to work, their wives, tied by household chores, have found it impossible to continue working far from home.

Women form 80 per cent. of the industry's labour force so the migration of families to the distant housing settlements can be seen to be a major factor in the labour shortage of the central city factories. Consequently, the industry has resorted to chasing labour.

J. Hepworth, the company which harnessed Hardy Amies a decade ago to bring more fashion to men's clothing, have been leaders in this move away from the city. It was this company which coined the phrase "satellite" plant for the district work places. Hepworth's most recent development was to convert a Territorial Army drill hall at the nearby village of Woodlesford into a factory producing off-the-peg jackets.

Paradoxically, Hepworth's are also engaged on a £2m. rebuilding programme at their head office and factory site at Claypit Lane, in the very centre of Leeds. This complex is linked to the city's inner-motorway system which will ultimately link up with the M1.

## Outlying plants

Products from the outlying plants are brought to Leeds for despatch throughout the country, and the road links make this particularly easy.

Like Hepworth's, Prices, the manufacturing arm of the John Collier chain, see Leeds as being an assembly point for distribution rather than as a prime manufacturing centre. Recently that firm introduced a big computer to help smooth the distribution and stock work.

The biggest, by far, of the Leeds manufacturers is the Burton Group. Their factory, at Hudson Road, Leeds, is to be the scene of Burton's plunge into the future. They plan the biggest capital investment scheme the clothing industry has ever seen.

Master-minding the Burton's scheme is Mr. Theo Helfet, a South African engineer, who is the group's new technical director. His appointment is an indication of the way things will go as the industry shapes up to the challenges of the 1970s.

For the first time in any clothing firm one man has overall charge of clothing design, methods engineering, work study, plant engineering and process development.

A suit design is no good to an organisation as large as Burton's if the production methods for that suit are uneconomic. But if the designers can design for new machines and new techniques, if those machines or techniques can be made to work more smoothly, the co-operation between those five departments adds up to cost-saving progress. Hence the Burton step of grouping responsibilities under Mr. Helfet.

Changing machines, and changing techniques, will mean changing the skills of workers. The future looks like being one where the workers will not be so dexterous, but will certainly be more skilled in the control of machinery. They will, says Mr. Martin Frankel, Burton's production managing director and a member of the Leeds and Northern Clothing Manufacturers' Association Council, be more sophisticated and have to be more knowledgeable about their machines. "It is one thing to use a £100 sewing machine but quite another to handle the responsibilities of a £5,000 machine.

As the industry becomes more capital intensive, the manufacture of off-the-peg garments will become more and more vested in the larger manufacturers.

But the smaller firms should not be written off. Man's pride in buying made-to-measure suits will ensure that and many of the City's smaller firms are doing not too badly thank you in the higher price, higher quality department. The Clothing Industry's Training Board is based in Leeds, and much of its work has been centred on helping these smaller firms, and one way has been by encouraging these smaller firms to group together to provide adequate training facilities.

Faced with this need for change in all quarters the Leeds clothing industry is fortunate in having very good relations with the trade union—the National Union of Tailors and Garment Workers—and apart from a notorious four-week strike which shattered the long industrial peace, some 18 months ago, relations between employers and union are an example to many other industries.

# Engineers look to better times

By a Correspondent

It would be nice to say that everything in the Leeds industrial garden was rosy. Alas, this is not the case, for the City's important engineering industry is in the throes of short order books, growing redundancies—especially of unskilled and semi-skilled labour—and short-time working.

This gloomy situation, which is affecting both heavy and light engineering concerns, prompted one employer to remark at the last meeting of the regional committee of the Engineering Industries' Association: "I am quite optimistic—things cannot get any worse." It is a view shared by many in engineering in Leeds. The past months have been bad, but now that the national economy is picking up, better times must be approaching.

But when? The depression set in about 18 months ago and since then hardly a week has gone by without some engineering firm announcing redundancies. The biggest blow came earlier this year when the Wellworthy piston factory, an Associated Engineering subsidiary, closed its doors, making about 800 redundant. The closure was a talking-point for one reason: the management and the workers could not agree on a wage claim.

## Less militant

Perhaps it was this closure, or perhaps the Left-wing led strikes against the Industrial Relations Bill which had taken the steam out of workers, or a realisation that a tough time was ahead, which resulted in a cooling down of militancy in the industry. But at any rate there has been far less labour trouble within the Leeds engineering industry since then.

This prompted Mr. Frank Brook, regional chairman of the Confederation of British Industry, which operates from Leeds, to be almost cheerful when discussing the probable aftermath of the Confederation of Shipbuilding and Engineering Unions' action of tearing up the industry's peace code. "It could not have happened at a better time. Had the engineering companies had full order books the scrapping of this agreement could have meant big trouble, but as activity is at such a low level in the Leeds area, a labour dispute at this time would not be all that damaging."

Engineering and clothing are the biggest employers of labour, and are very much complementary. The engineering factories employ the men, the clothing factories employ the women. Outside these industries, the make-up of the Leeds industrial scene is very much one of a mixed labour market.

## Print centre

Yorkshire acounts for about 9 per cent. of the British printing capacity, and Leeds employs something like half the 14,000 printers of the county. The printing firms of the City range from small shops employing fewer than 25 to firms with payrolls of more than 1,000. The range of services offered is varied, and the industry in Leeds can supply anything from letter heads to 5m. AA guide books!

Market specialisation is now much more widely practised, and Leeds printers are now specialising in educational printing and publishing, mail order catalogue production, carton and other packaging printing, continuous stationery and business forms, advertising and poster material, periodical production, and postage stamp printing.

Two of the best known Leeds printers, Alf Cooke and Waddingtons, are Britain's major producers of playing cards, and Waddingtons are possibly Britain's biggest producers of printed games.

Besides printing as an industry, the production of printing machinery, although classed generally as engineering, is an industry in itself in Leeds. The biggest is controlled by Crabtree-Vickers and production ranges from giant newspaper presses through to the flimsy plates for lithographic off-set printing.

Because of Leeds' geographical position the city has become a vital distribution centre for the north of England, and this is expected to grow in importance as the influence of the motorway network is felt. Exporting plays a big part in the trade of Leeds, and the local Chamber of Commerce, one of Britain's most influential, records that something like 600 firms in the city are actively engaged in overseas trade—many of them are heavily engaged on the Continent, and the City's industrialists are firmly in favour of Common Market entry.

Common Market apart, the wide diversity of Leeds industry is a safeguard for economic strength. Recognising the importance of a balanced industrial make-up the City Council has been keen to play a part in aiding the small firms.

On the 150-acre Cross Green Industrial Estate, where Britain's newest foundry was recently opened, the Corporation has provided roads and sewers for a further 35-acre extension in advance of immediate requirements, and preliminary consideration is being given to the establishment of a factory development area for small firms in the Sheepcar area based on a successful original scheme at Holbeck.

The Regional Planning Council also sees Leeds as a growth point. "After taking account of trends in industry and employment, we believe that among existing settlements the large centres of population such as Leeds have better and more diversified prospects," said Mr. Bernard Cotton, chairman of that Planning Council.

The Council estimates that the region could take another 100,000 jobs in service industries just to bring it up to average among other regions, and is working hard to secure these jobs. Leeds would expect a big slice of this total.

## Office space

Already the City is well placed for office accommodation and at the last count was fifth in the whole country in the amount of office floor space in use.

A good proportion of the civil servants employed in the region are based in Leeds, and if decentralisation is continued this number might increase as more are moved out of Whitehall.

If the Planning Council has read the stars correctly the future prosperity of Leeds is assured. But such is the diversity of industry within the city that it has never been a poor town. Mr. John Batchelder, secretary of the Chamber of Commerce, said: "Thanks to this variety, the city always soars ahead in good times and only feels the impact of a national depression long after the rest of the country."

Given that he is right—and no one is arguing with him on this point—Leeds is now in line for another surge of prosperity.



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LEEDS IV

# Financial centre for the region

By KENNETH GOODING

"More and more the West Riding of Yorkshire is looking towards Leeds as its financial centre. Even our great rivals in Bradford and Huddersfield are inclined to this opinion to-day." So states Mr. D. M. Corbett, the Midland Bank's regional director based in Leeds, voicing an opinion which is being echoed more and more among the financial community in Leeds.

Certainly there is no doubt that such a community exists. You have only to stand in Park Row to see the physical evidence and at the same time be within hailing distance of most of the institutions which make up the Leeds' financial centre. The clearing banks have a massive capital investment in Leeds, a sure sign that they see its importance growing. The Bank of England has rebuilt its local headquarters, Midland has done the same and National Westminster is in the process of rebuilding. The old Marshall and Snelgrove store in Park Row has been sold to Lloyds Bank but reconstruction work has not started as yet.

The Bank of England's new premises in King Street, Leeds.

## Some reluctance

Biggest of the "big four" in the area is Midland which has about 25 per cent. of the business in West Riding and so Mr. Corbett, himself a Bradford man, is in the position of seeing at least 25 per cent. of what is going on in the area and is in a good position to guess at the rest. "On the whole, industry is still waiting for a sign—there is still no confidence to go forward with capital expenditure on any large scale. At the moment there is a noticeable reluctance to borrow—both individuals and corporations are showing this reluctance," he comments.

Leeds houses Midland's biggest branch north of Birmingham, even larger than any in Manchester, and the bank is playing its part in the new atmosphere of competition among the clearers. Much of the impetus will come from Leeds for Midland, like the other clearers, is committed to a regionalisation policy and, again like the other clearing banks, has its regional headquarters in Leeds.

At its Park Row offices, Midland also has a new type of banking "animal" called the group financial services adviser. Backing its claim that there is no financial package that cannot be arranged by Midland or its associates, the GFSA's job is to keep tabs on all the facilities available and put forward suggested answers to problems customers might bring in.

This is just one indication of the new thought the clearing banks are giving to marketing their products—something which has been plainly lacking in the past. Leeds' own bank, Yorkshire Bank, for example claims it knows more about the personal loans business than any other bank this side of the Atlantic because it has been offering this facility for the past 12 years, including right through the squeeze.

## Savings bank

Yorkshire Bank actually originated in Halifax but has had its headquarters in Leeds since the turn of the century. It started as a savings bank but moved into the current account business and its character has been transformed since the 1930s. "It is still a bank for people rather than for Corporate bodies," maintains Mr. Brian Ward, the Controller (Marketing), and the business is split 50-50 between personal savings accounts and private and corporate current accounts.

Once known—and still referred to by many—as the Yorkshire Penny Bank, the organisation still has more than 1,000 school savings accounts in operation offering a competitive rate to the Post Office Savings Bank. "Many of our corporate customers are owned by men who started with one of our school savings books," says Mr. Ward.

Naturally, Yorkshire Bank is concentrating at present mainly on improving the level of service at its counters in the 185 branches. Always it has had a reputation for being a bank where anyone can have access to the branch manager, and now it is actively trying to get rid of those bottle-necks at the counter which are extremely irritating for the customers. It is experimenting with "quick transaction" tills (dealing only with cheques up to £10), an automatic cashier (which counts notes and coins at a great speed, increasing throughput by between 25 to 50 per cent.) and is looking at the American system where people are marshalled into one area before going to counter positions as they become free—saving that most frustrating of all banking experiences, that of watching every other queue at the counter dissolve while your's remains as long as ever.

"We can hold our own in the current climate of competition," declares Mr. Ward. Yorkshire Bank is jointly owned by National Westminster, Barclays, Lloyds, and Williams and Glyn's so it is now well integrated into the clearing bank system. But it was started by a local philanthropist, Col. Ackroyd, "to encourage thrift in the labour force."

This idea of thrift as a virtue has a firm hold in Leeds and West Riding in general. A far larger proportion of people than the national average reject hire purchase and loan agreements in favour of paying cash on the nail and I could find no trace of any finance house or hire purchase group with its origins in the area.

Another indication of the "thrift" idea can be seen in the building society movement for the West Riding has been the centre of its activity since the early days and at the moment houses not only the largest, the Halifax, but also three others in the "top ten" by size. These are the Provincial, the Bradford and Bingley and, of course, Leeds Permanent, fifth-largest of the building societies.

Building societies developed mainly from groups which met for other purposes and the Methodist movement was strong in the West Riding and provided the people—and the trust they needed in one another—which enabled the building societies to thrive. Leeds Permanent now has 107 branches from Plymouth to Aberdeen and is still developing the network at a rapid rate. Ten new branches and three extensions were completed in the financial year to September 30, 1970, and the current financial year will see another 16 branches completed. Of course, Leeds Permanent is particularly strongly represented in the West Riding and plays its part in the local economy—Leeds itself having a good selection of reasonably-priced, modern, residential property.

If Leeds Permanent is not quite in the mainstream of the financial community, the local Stock Exchange certainly is. Because of its mixed economy—printing, clothes, chemicals, engineering, wool, big retailing businesses, wholesaling, household goods, and so on—Leeds does not go through recurring periods of financial depression and at the same time offers a variety of local companies for the brokers to deal in.

Seven firms make up the Leeds Exchange, taking in some from Bradford and Halifax, and there are altogether 19 partners and two associates operating in the area. There is no longer a "floor," it was in a building pulled down for redevelopment, and anyway, Leeds boasts no jobbers these days. The atmosphere among the brokers is cheerful and all of them report business has never been better. And even when the market was falling things were not too black. As Mr. Geoffrey Pemberton, fourth generation of his family to be a partner in Howitt and Pemberton, put it: "When there's a flap on the Yorkshireman tends to put his head down and let it blow over. So we don't get violent fluctuations of business in the good and bad years."

## Money management

The Leeds brokers have long had a reputation for encouraging local people to think more about money management in general. For many years they ran three or four courses during the year on share ownership (the organisation is now in the hands of the Wider Share Ownership Council but individual brokers still do much of the lecturing) and to date have clocked up two programmes on Radio Leeds answering questions on the air.

The brokers have noticed a recent trend for people to pull out of London and transfer their portfolios and dealings to a Leeds broker. This is happening as clients become discouraged by the attitude prevalent among some of the larger London firms who are only interested in dealing for the institutions. "They like to come in and talk to a partner, to get personal service," maintains Mr. Pemberton, whose father, Mr. Jim Pemberton, is the current chairman of the stock exchange.

In Leeds they have no fears about the coming of a United Stock Exchange—the brokers point out it is London which seems to be dragging its feet slightly on this issue—and claim that they can often do a keener deal than their London counterparts because they can go to jobbers on any of the provincial exchanges — including Manchester and Glasgow—as well as to London.

As for the rest of Leeds's financial community, the Industrial and Commercial Finance Corporation, that semi-official organisation dedicated to supplying long-term funds to small and medium-sized business, has its Northern area base there (attracted particularly by the preponderance of private companies). Merchant banks with representation in the City are N. M. Rothschild, Samuel Montagu and Old Broad Street Securities.

## On the spot

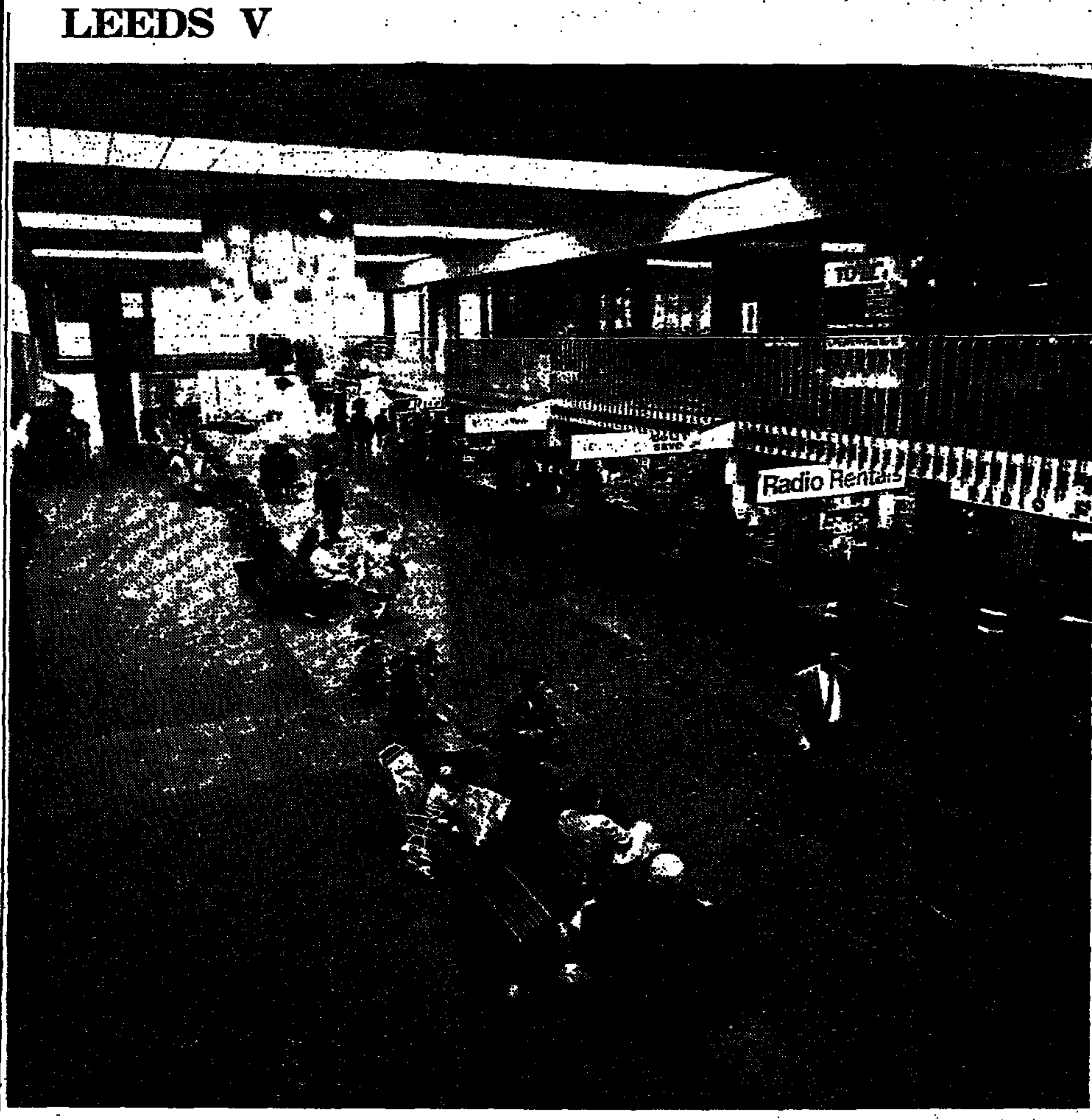
Perhaps the most successful of the merchant banks in the area—at least by the accounts of people on the spot—is Singer and Friedlander, which has been offering the full range of merchant banking services in Leeds since 1960. S and F's local director, Mr. Brian Buckley, maintains: "You can't expect to be successful unless you have the quality of management on the spot and have identification with the local community. An investment portfolio is best worked out when face to face with the customer, for example, and decisions must be taken at local level rather than be referred back to London."

The Leeds office of S and F has been handling the bid for A. and S. Henry, the Manchester-based department stores group which is quoted in London. Also involved in a current bid battle is Leeds' home-grown investment banking group P. R. Grimshawe, set up only four years ago by 31-year-old accountant Mr. Peter Grimshawe. He started with a £3,000 overdraft and expects to bring the company to the market at the end of this year or the beginning of next when it will have a value—according to my estimate—of between £1.75m. and £2m. (of which Mr. Grimshawe himself owns a handsome 30 per cent.).

He aims to build P. R. Grimshawe into an integrated investment bank with a complete range of financial advisory services. It also takes in strategic holdings in two quoted companies, Grimshawe-Windsor and the Pennine Motor Group, and will have stakes in other public companies. Mr. Grimshawe set up in Leeds because "it is my home" but admits that it was useful to have all the back-up services—that is high quality solicitors, lawyers and brokers—on the doorstep.

He states: "There is immense business to be done up here and it is highly profitable. Industry is very fragmented in the area and a lot of companies are badly in need of good financial advice."

## LEEDS V




A new pedestrian shopping precinct in the centre of Leeds.

# City undergoes a massive face-lift

By a Correspondent

For a city with as big a reputation as Leeds the bustling centre is, by comparison, on the small side. But it is this compactness which gives the visitor the immediate impression of a builder's bonanza.

For on every street corner the scaffolding, the tower cranes and rising concrete are the commonplace sight. This is a redevelopment on a grand scale, replacements for the brick-and-mortar palaces the Victorian founders of Leeds prosperity built for a City centre.

The old Leeds had charm, but the Victorian ideas of pokey office chambers, rambling warehouses and inefficient workshops within a mile-square city centre were neither economic nor suitable for the sophisticated 1960s and 1970s.

So in the past five years the removal of the City Centre has been proceeding at top speed. "God knows how much is being spent in the city centre on renewal," said a Leeds City official. "Think of a number, add a few noughts and you have a good a chance as any of being right."

Most of the replacement building had been taken over by office space and, due no doubt to Leeds' position as a communications centre of the North, there are very few vacant suites in these new buildings.

Rents for office suites vary from as low as 70p a foot a year for the Victorian chambers-type offices to as high as £2 a foot a year in the office blocks now being built. This, say estate agents is as high a rental as any provincial centre. Rents for typical 3,000 square feet to 4,000 square feet in the office blocks built up to five years ago are between £1 25p and £1 35p a foot a year.

Much of this earlier development in the City centre was of the straight-up glass and concrete type, functional but uninteresting. The latest additions exhibit more architectural flair and they provoke more comment or criticism.

One such development is the new headquarters of the Yorkshire Post Newspapers Group. This £5m. complex which houses Europe's most modern newsprinting plant vies with the new Bank of England building as the latest architectural conversation piece.

### Regional award

Controversial is probably the best way to describe both buildings, and while they may not be everyone's cup of tea, at least the Royal Institute of British Architects like the look of this new work for the newspaper building won their regional award for the best new building in Yorkshire in 1971. Entering the controversy, one young Leeds architect said recently: "In the present surroundings I can understand people criticising, but it is too early to pass judgment.

"New roads have to be built through the area, and when the road development is complete, and older buildings have been demolished, this area of Leeds will have a completely new look, and the architectural designs which now look way-out will fit into the scheme perfectly," he said. The same goes for the Bank of England which might look like a house of cards but when neighbouring development is complete, it will fit unobtrusively into a complex of offices and elevated pedestrian ways.

In keeping with this new era architecture, the City's international swimming pool with its pagoda-type roof shows there is no conservative reluctance on behalf of the municipal builders.

Across the road from the pool is the derelict factory of Headrow Clothes, the next target for the demolition gangs. And on this site will be built the city's highest development, a 33-storey office block which, planners say, will have twin "banana-shaped" towers.

In Albion Street on the site vacated by the newspaper company a 19-storey office block is to be built by the Metropolitan Estate and Property Corporation, of London, and nearby, again in Albion Street, a second office block of similar size is to be built at the junction with St. George Street.

A stone's throw away at the Merrion Centre, a fully integrated shopping and entertainment centre built in the last six years, an eight-storey office block will be added. Adjacent to the new National Westminster Bank £1.250m. regional headquarters in Park Row, Lloyds Bank is to build a bank and shops on the site of the former Marshall and Snelgrove store.

The Post Office, which has regional headquarters in Park Row, is now building a £2m. mechanised letter sorting department and offices in Wellington Street on the site of the old Central Station.

Visitors to Leeds have often complained that the city has plenty of office accommodation but a shortage of hotel accommodation, and this shortage is being met to some extent by the development of new hotels.

### Hotel plans

Trust Heuses have recently opened a 120-bed Post House in the green fields of Bramhope, alongside the Otley Road, on the city boundary. Ladbrokes are building a city-centre hotel behind the city railway station, and plans are in being for hotels at Hunslet, Crossgates and Whitkirk in the suburbs of Leeds.

Shopping, too, has been caught up in the redevelopment. While many shops have kept pace by having a new shop front fitted, C and A Modes and Littlewoods have completely rebuilt their stores in the city centre. The Leeds Co-op, too, is completely rebuilding on its site in Albion Street.

The Leeds University complex within walking distance of the city centre has been a massive development and is well worth a visit to see how modern architecture dovetails together. On the domestic side the Leak Street development at Hunslet, alongside the main link to the M1, is a controversial complex of flats, not helped by the fact that the designers chose to finish the scheme with a black facing material.

The design was an experiment in municipal co-operation, with Leeds joining Sheffield and Nottingham to share the planning details. The Leak Street development has been but one part of the Corporation's municipal housing programme.

There has been a determined blitz to erase the ranks of back-to-back terraced housing, especially in the Hunslet and Holbeck areas of the city. About 35,000 families have been moved to more modern homes and redevelopment of the demolition sites is going ahead.

More than 100 blocks of multi-storey flats have been built in the city in recent years and work is now going on on two blocks of 25-storey flats, the highest to be built by the Corporation, at Cottingley. For 20 years Cottingley was the centre of Leeds' largest prefabricated bungalow estate. Once there were 565 prefabs on the site, but within two years the northern section of this suburb will contain 442 houses and flats.

### Home life

Rehabilitation, too, has played a big part in the Corporation's plans to improve home life. In the Chapeltown area alone £4.5m. has been spent buying up and improving properties. Of the 740 homes bought at Chapeltown since 1955, 343 have been converted into flats and maisonettes, while others have been refurbished and re-let.

The Corporation owns 22,000 pre-war council houses, on which £20m. is to be spent in the next decade to bring them up to new standards.

Inside homes and outside homes, there are plans for making life better. Over the next five years £125,000 is to be spent landscaping and making children's play areas within the municipal estates.

The city's hospitals, too, figure in the redevelopment work. The St. James Hospital, the largest general hospital in Britain, is to be the subject of a £20m. rebuilding scheme.

At the General Infirmary £30m. will be spent within the next 15 years. These hospitals are also teaching hospitals and by 1983 the redevelopments will enable them to turn out 200 fully trained doctors a year—three times the present number trained in the city.

And the first visible sign of the new hospitals will be seen by patients this month when the £2.5m. first phase of the St. James Hospital is opened as an accident, emergency and outpatients department.

The redevelopment of Leeds is a bonanza for builders, but when the work is complete it will be a real benefit to the city and the region at large.

# Volkswagen puts 6% on prices

BY JAMES ENSOR

VOLKSWAGEN prices are being raised by an average of 6 per cent. from to-day. The increases apply to 1972 models, which have some minor changes in specification. There are still a few 1971 models available at previous prices.

The higher prices are the direct result of factory increases and the added costs of the floating D-Mark. German domestic prices of Volkswagens were raised by 1.3 per cent. in August.

Prices of Audi and NSU cars marketed by the Volkswagen Audi-NSU division are also put up from to-day, by an average 3 per cent., for the same reasons.

## Importers' margins

Volkswagen's profitability this year has been under severe pressure because of a continued decline in its share of the German market and the very low price levels which it has been forced to adopt to retain its huge American sales.

The Thomas Tilling group, which imports both Volkswagen and Audi-NSU cars into Britain, has been bearing the cost of the D-Mark fluctuation for some time. Clearly, cost pressures threaten the fairly narrow margins on which the importers of popular cars operate.

The new Volkswagen prices effectively negate the purchase tax reductions made in July. The cheapest Beetle will now cost £794, a £45 increase, while the 1302 Super Beetle at £989 is £56 more.

The cheapest NSU Prinz 4L becomes £796, and the NSU 1200, £999. The Popular Audi 100 LS is raised by £50 to £1,726 and the Audi 100 GL, just announced, is increased to £1,876.

Prices of most German cars on the British market have risen a little more rapidly in recent months than their British counterparts. The basic Beetle now compares in price with the Austin 1100 or the Ford Escort four-door standard, the Super Beetle and NSU 1200 with the 1.8-litre version of the Morris Marina or the two-door 1600 cc Ford Cortina, while the Audi 100 GL is £100 more expensive than the Rover 2000 TC.

Clearly these price increases are likely to slow down the remarkable growth in Volkswagen and Audi-NSU sales this year. Volkswagen now regularly holds 4 per cent. of the British market, and the Beetle has sold almost as well as the Triumph Toledo and Herald combined or the Ford Capri, so far this year.

# WORLD RATES FOR TANKERS

THE London Tanker Brokers' Panel, in its latest monthly average freight rate assessment, has announced that the weighted average world tanker freights—assessed over the period August 16-September 15—are: For general purpose tankers — Worldscale 117.6; for medium-range ships—Worldscale 109.3; for large-range, Scale 1, tankers—Worldscale 95.6; and for large-range, Scale 2, supertankers—Worldscale 81.3.

# Ffestiniog power reservoir refilling

By Harold Bolter, Industrial Correspondent

THE Central Electricity Generating Board has started to refill the lower reservoir at its Ffestiniog power station in North Wales, which was shut down following the discovery of an underground store of 4,000 tons of explosives nearby at the beginning of June.

The station will remain closed for some time yet, according to the CEGB, which is incurring extra costs of between £4,000 and £7,000 a day while it is out of operation.

So far, these costs amount to between £450,000 and £850,000. The CEGB has made a claim for compensation against Imperial Chemical Industries, which owns the explosives, but the amount of the claim cannot be quantified until the power station is restored to operational use, the CEGB said yesterday.

When Ffestiniog, built at a cost of £15m. and opened in 1963 as the first pumped storage scheme in the U.K. was first shut down, it was suggested the power station might be closed for a year or more.

The lower and upper reservoirs at Ffestiniog were drained after the CEGB discovered the explosives and the Board began to refill the lower reservoir, which is 8,500 feet from the explosives store, earlier this month on the authority of the independent engineer inspecting the reservoirs.

# Assurances on M4 given by contractors

By Martin Routh

IN ANSWER to mounting public concern about whether the M4 motorway from London to Newport, in South Wales, will be completed by the end of the year, the three civil engineering contractors engaged on the remaining 50-mile stretch yesterday maintained that they will be finished by the end of December.

A spokesman for Costain, which is responsible for the 19-mile stretch from Theale to near Holyport, said: "We are due to finish by the end of the year—our official completion date—and see no reason at present why we should not."

Mr. Fred Sullivan, chairman of A. Monk and Co., said that "in the absence of unforeseen problems Monk expects to complete its section by December 29."

Mr. D. P. Weiner, a managing director of Sir Lindsay Parkinson, told the Financial Times that an ex-contractual agreement had been reached in May this year whereby his company would "hurry things up" and complete its contract by the end of this year.

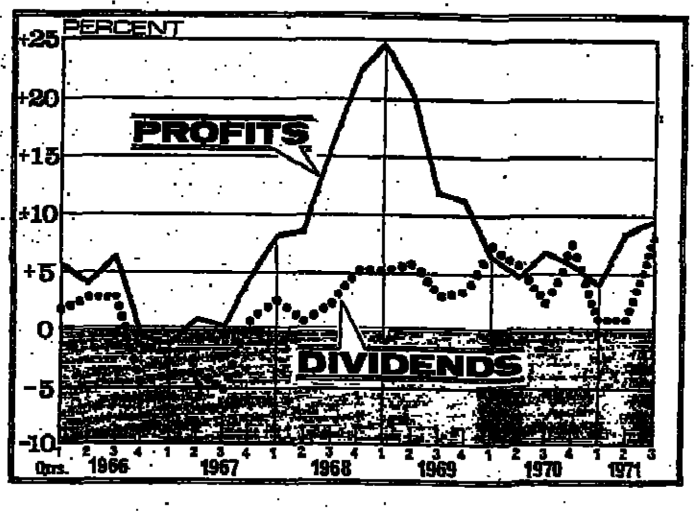
# S. Gibbons' foreign stamp catalogue

STANLEY GIBBONS is to give first priority to producing a new Europe Catalogue without the Colonies. This will be reset in two-column format on the lines of the sectional catalogues. As this will contain a lot of fast-growing countries, "Europe" will be divided alphabetically into three moderate-sized volumes to allow for future expansion. These will be: Vol. 1 A-F; Vol. 2 G-P; and Vol. 3 R-Y.

It will not be possible to publish these volumes simultaneously, but they will be released at intervals of a few months and it is hoped to have the first volume ready early in 1972 and to complete the job by the year end.

In the meantime the 12 Sectional Catalogues already published remain current.

# Dividends resume upward trend




FINANCIAL TIMES REPORTER

DIVIDEND INCREASES of industrial companies resumed their upward trend during the third quarter, after the rather static performance of the first two quarters. The rise of 8 per cent. in the third quarter contrasts with the increases of 1.1 and 0.8 per cent. respectively of the first two quarters.

However, the rise for all companies reporting so far this year is only 2.5 per cent., compared with an increase of 5.8 per cent. recorded in 1970.

The results for the third quarter were boosted by the figures for September, when the dividends of industrial companies reporting in that month were 13.9 per cent. above the level of the previous year. This was the highest monthly rise this year and more than double the increase of July and August.

The dividend figures were lifted by the declaration of two leading companies, Plessey and British Electric Traction. Plessey declared an unchanged dividend rate on an increased equity capital, while BET increased its dividend rate to 20 per cent. from 18½.

Profits of industrial companies reporting in the third quarter were 9.5 per cent. higher than the previous year. The increases for the first and second quarters were 3.8 per cent. and 8.6 per cent. Thus the trend of profit increases so far this year has been an upward one. The overall rise for 1971 is 7.6 per cent., compared with an increase of 5.8 per cent. for 1970.

However, the results of companies reporting in September showed that the increase in profits, at 8.2 per cent., was lower than that recorded for the previous two months.

August profits are shown in our usual monthly table on Page 30.

# 'Commonwealthneeds links with Europe'

BY MICHAEL SIMMONS

MR. GEOFFREY RIPPON, Britain's chief Common Market negotiator, said yesterday that the interests of the Commonwealth were particularly at stake in the Government's bid to join the EEC. The prosperity and happiness of the Commonwealth, he told the Royal Institute for International Affairs, depended to a considerable extent on the maintaining and developing of their traditional links with Europe.

He also emphasised that Britain was deeply conscious of the fact that "unity can only be achieved on the basis of consent at every stage." He was confident Britain would play "a very active part" in the European Parliament, and it was important that people realised that everyone affected by an EEC decision, even after enlargement, would have plenty of opportunity to put their views across.

## Foreign policy

Discussing the chances of a harmonised European foreign policy, Mr. Rippon stated that "we" must be concerned to maintain and strengthen the NATO Alliance; to ensure that Western Europe was not left "on the margin of events" but used its influence in economic and political matters; to encourage liberal trading policies and a sound international monetary order; to carry out Europe's unique responsibilities, particularly as regards aid to developing countries; to build up and maintain good relations with the U.S.; and to improve the prospects for peaceful co-operation between Western and Eastern Europe.

On the need for an effective European industrial policy, he maintained that much more had to be done to create "a harmonised industrial environment" of the kind now enjoyed by the Americans and the Japanese. He hoped to see a much more effective policy in the next few years in the field of technical co-operation.

Earlier, opening a conference on business prospects in the light of Britain's bid to join the Communities, Mr. Rippon said that the extension of the home market afforded by entry "should provide the confidence our industrialists need to plan and invest for sustained future growth."

Sir David Barran, chairman of the British Shell Group told the conference that the setting-up of strong tariff barriers against the U.S. by an enlarged Common Market would be a backward step. He said that when the Community of Six becomes Ten he should like to see, as one of their first initiatives together, a statement from Common Market Government leaders that a widening of trade and a growing co-operation with other countries, including the U.S., came high on their list of priorities.

# Problems for the IMF conference

A RINGSIDE report and comment on the IMF conference in Washington is featured in the Investors Chronicle this week. David Webster stresses that the meeting must be viewed as only the first step in re-shaping the world's monetary system, and then outline ssome of the main problems that will have to be solved.

Conflicting views on the future role of gold and special drawing rights are put into perspective. Another topic discussed is the argument over floating of fixed exchange rates.

On the investment front, the journal examines the far-reaching changes at Golden Egg.

# New union warnings as IR Act starts operating

BY JOHN ELLIOTT, LABOUR EDITOR

ON THE eve of the first stage of the Industrial Relations Act, being implemented to-day, union leaders warned yesterday that they would not co-operate with its provisions and that companies should spend their time improving voluntary procedures during the coming months rather than finding ways of using the new laws.

To-day the Registrar of Trades Unions and Employers' Associations takes over from the Registrar for Friendly Societies the list of unions and associations already registered. The TUC has called on its affiliated unions to withdraw from the new provisional register which comes into existance to-day. But most have not done so, either because this is not possible under their rules or because they have not yet obtained authority from their governing bodies.

The Transport and General Workers' Union, for example, is to tell the TUC within the next few days that, after taking legal advice on its rule book, it cannot withdraw until it has held a rules revision conference. This conference, which will probably be held in December, wil not only change the rules requiring registration but will also alter some of the union's financial arrangements so that special funds can be protected from any fines the union may have to pay.

The fact that the TGWU will not beable to withdraw from the register till the end of the year is a blow to the TUC's de-registration policy because many union leaders feel that the country's two largest—and l eft-wing-led—unions should make the running in the policy of non-co-operation with the Act.

The Amalgamated Union of Engineering Workers has written to he Registrar asking to be taken off the register but is likely to be told that this cannot be fully implemented till the union's engineering section holds a rules revision conference early in November to cancel the registration requirement in its rule book.

Mr. Hugh Scanlon, president of the AUEW, spelt out to a conference of personnel managers in London yesterday the underlying reason behind unions adopting non-registration as the basis for their policy on the Act. This was, as will be emphasised at next week's annual Labour Party conference in Brighton, that the unions are preparing for a repeal of the Act by a future Labour opera- with the legislation now would make such a repeal more difficult.

In fact, now that the TUC has strengthened its policy on registration, it seems likely that the speed at which unions gradually co-operate with the legislation may well depend on the political temperature in the next year or so and therefore on how likely the return of a Labour Government in the forseeable future appears to be.

Mr. Scanlon warned the managers' conference that "unless employers want an all-out confrontation with the trade union movement . . . it would not be in their interests to sue trade unionists or unions."

Mr. Jack Jones, general secretary of the Transport and General Workers' Union, who appears to be taking a softer line on registration than Mr. Scanlon—at least for the time being—also stressed that "labour will never be contented with the new legislation—it will regard it as a temporary phase and unions will continually press for repeal."

The argument that will now continue within the TUC is how many unions should be allowed to remain unregistered. There are some exceptions which may well be permitted. The National Graphical Association is one because it has tightly-drawn registration requirements linked to substantial financial advantages in its rule book. Others, like Equity and the National Union of Seamen, need to be registred in order to gain approved closed shop or agency shop agreements which are considered essential for their future. However, Equity has decided to de-register. This show of solidarity with the TUC is almost certainly only a demonstration pending TUC approval for Equity to be registered in the near future because of its special circumstances.

Speaking last night at a British Plastics Federation dinner, Mr. Vic Feather, TUC general secretary, said that "people who have been predicting a breakdown in the TUC's policy are simply guilty of either wishful thinking or self-delusion." He called for a dialogue with the Government to sort out the country's problems.

# Warning on Thamesmead redundancies

FINANCIAL TIMES REPORTER

WARNING of some prospective redundancies among the 1,200 men working on the £400m. Thamesmead housing project was given yesterday by Holland Hannen & Cubitts (Southern).

A spokesman for the company said that work on several major sections at Thamesmead was drawing to a close and negotiations on building work for stage three of the development had not yet been concluded with the Greater London Council.

The redundancies decision had been taken reluctantly and the unions concerned had been informed that the notices would begin to operate from October 8.

The spokesman was not prepared to confirm a report that some hundreds of men might be laid off. "It is not possible at this stage to say how many men will be involved in the progressive run-down which is expected to continue over several months," he said.

"The works committee at Thamesmead has been told that every effort will be made to deploy men."

## GLC approval

A spokesman for the GLC said that the third stage of the project to house up to 60,000 Londoners had been approved. It would consist of over 1,400 dwelling-houses and other buildings.

Subject to the outcome of further negotiations for a revised contract, the buildings would be constructed by Holland Hannen & Cubitts, which is also carrying out civil engineering work on the project. Delay in completion of the negotiations was not foreseen.

# Peyton rejects TUC plea on private bus services

BY ROY ROGERS, LABOUR STAFF

MR. JOHN PEYTON, the Minister for Transport Industries, yesterday turned down a TUC request for a public inquiry into Government plans to allow private enterprise to compete with the nationalised bus services.

The TUC Transport Committee, headed by Mr. Jack Jones, general secretary of the Transport and General Workers' Union, met Mr. Peyton yesterday to put their reasons for opposing the scheme. A further meeting has been arranged for the unions to give their ideas for an alternative system.

In the view of the unions, the proposed changes in bus licensing laws would result in mini-buses competing with nationalised buses on the more lucrative routes to the detriment of the less lucrative ones. They feel present monopoly system would be disastrous for the industry generally and rural areas services in particular.

When the unions meet Mr. Peyton again they will no doubt put forward the argument that Britain's strugling bus services can best be helped by making more financial assistance available to them and by pushing ahead with more bus-only roads and lanes to win back lost passengers by providing quicker and more reliable services.

Also yesterday union leaders representing British Railways shopmen met BR Board officials on the issue of redundancy. By way of negotiation and other workers volunteering for early retirement all but 30 of the 120 jobs at BR's Swindon workshop have been saved and there are hopes that these may be saved bfore the November 1 dismissal date comes round.

While this means that almost all the redundancies announced by the Board in April and July of this year have been absorbed, the unions are now faced with the daunting prospect of trying to absorb the 5,500 new redundancies among workshop staff announced by the Board earlier this month. A joint working party is to have its first meeting in 10 days' time.

It is understood that these are to coincide with a five-year plan to reduce main line locomotives by 7 per cent., shunting locos by 15 per cent., parcels vehicles by 32 per cent., diesel multiple units by 12 per cent. and diesel hydraulic locos by 100 per cent.

# Bid to end headlamp factory strike soon

BY OUR LABOUR STAFF

MOVES aimed at ending the week-long unofficial strike by 600 workers at British Sealed Beams, Corby, Northants, are expected in the near future.

Mr. R. G. W. Choppen, director and general manager of the company, said yesterday that, following an unofficial approach from several strike leaders, he was hopeful of hearing from local officials of the two unions involved, the Transport and General Workers' Union and the Amalgamated Union of Engineering Workers.

Mr. Choppen confessed that he was fortunately inexperienced in these matters, as, in the company's 11-year history, there had been no industrial unrest until this year.

The men stopped work a week ago in support of three separate claims for increases ranging between £3 and £8 a week. Management had offered £1 a week plus immediate payment of an earlier award due to be paid in December.

A joint venture by GEC-EE, Lucas and Thorn Electrical Industries, British Sealed Beams supplies sealed headlamp units to much of the motor industry.

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**(London Office: Ref. 1/C2320/FT General)**

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## COMPANY NOTICES

*Coutts & Co*

Notice is hereby given that until further notice the Coutts Base Rate will continue at 5% per annum and the Deposit Rate on monies subject to seven days' notice of withdrawal will be 3% per annum.

F. M. Nunan SECRETARY

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*Borehole UD. 18* (situated approximately 1 530 metres east of the south-western corner of the Western Deep Levels Limited mining lease boundary):—

| | Depth (Metres) | Corrected Width (CM) | Gold (G/T) | Value Uranium (KG/T) | Gold (CM.G) | Value Uranium (CM-KG) |
|---|---|---|---|---|---|---|
| Ventersdorp Contact Reef 4th Intersection (6th Deflection) | 2 458 | 55 | 23.94 | 0.06 | 1 326 | 3.46 |

Core recovery was complete.
Drilling is continuing.

*Borehole UD. 20* (situated approximately 2 450 metres due west of the south-western corner of the Western Deep Levels Limited mining lease boundary):—

| | Depth (Metres) | Corrected Width (CM) | Gold (G/T) | Value Uranium (KG/T) | Gold (CM.G) | Value Uranium (CM-KG) |
|---|---|---|---|---|---|---|
| Ventersdorp Contact Reef 2nd Intersection (3rd Deflection) | 1 823 | 173 | 0.82 | 0.03 | 142 | 4.99 |
| 3rd Intersection (4th Deflection) | 1 821 | 148 | 0.22 | 0.01 | 32 | 1.18 |

Core recovery was complete in both intersections.
No further drilling is intended.

30th September, 1971.

(Issued from 40 Holborn Viaduct, London, EC1P 1AJ.)

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NOTICE IS HEREBY GIVEN that until further notice the National Westminster Bank Base Rate will continue at 5% per annum and the Deposit Rate on amounts lodged subject to seven days' notice of withdrawal will continue at 3% per annum.

M. P. SPARKES, Secretary.
1st October, 1971.

### PARK CAKE BAKERIES LIMITED

NOTICE IS HEREBY GIVEN that the Share Registers of the Company will be CLOSED from the 12th to the 25th October, both dates inclusive.

By Order of the Board.
BOWKER, ORFORD & CO.,
Registrars.

### KING & SHAXSON LIMITED

NOTICE IS HEREBY GIVEN that the TRANSFER BOOKS of the 5% Cumulative Preference Shares will be CLOSED from 11th to 13th October, 1971, for the preparation of Dividend Warrants payable 1st November, 1971.

By Order of the Board.
KING & SHAXSON LIMITED
P. G. S. Fane,
Director and Secretary.

King & Shaxson Limited,
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BUSINESS OPPORTUNITIES ALSO APPEAR ON PAGE 34

## PUBLIC NOTICES

### BANK OF SCOTLAND BASE RATE

The Bank of Scotland intimates that until further notice its Base Rate, to which all rates of interest on overdrafts are related, will be FIVE PER CENT PER ANNUM.
1st October, 1971

### NEW REFERENCE TO THE MONOPOLIES COMMISSION

1 The Rt Hon John Davies, MP, Secretary of State for Trade and Industry, has asked the Monopolies Commission to investigate and report on the supply of
(i) chlordiazepoxide and salts thereof: and
(ii) diazepam and salts thereof.
2 The reference was made on 14 September 1971 and is reproduced below.
3 Any person or organisation wishing to offer evidence in relation to this reference should write to the Secretary, Monopolies Commission, New Court, 48 Carey Street, London, WC2A 2JT.

THE MONOPOLIES AND MERGERS ACTS 1948 AND 1965
REFERENCE TO THE MONOPOLIES COMMISSION
CHLORDIAZEPOXIDE AND DIAZEPAM

Whereas it appears to the Secretary of State that it is or may be the fact that conditions to which the Monopolies and Restrictive Practices (Inquiry and Control) Act 1948, as amended by the Restrictive Trade Practices Act 1956 and the Monopolies and Mergers Act 1965, applies prevail as respects the supply of each of the following descriptions of goods, that is to say:—
(i) chlordiazepoxide and salts thereof: and
(ii) diazepam and salts thereof.
Now, therefore, the Secretary of State in exercise of his powers under section 2(1) of the said Act of 1948, as so amended, hereby refers to the Monopolies Commission for investigation and report the supply in the United Kingdom of each of the two descriptions of goods hereinbefore specified.

The Commission shall as respects each of these matters investigate and report on whether the conditions to which the said Act of 1948, as so amended, applies in fact prevail.

The Commission shall, if they find that the said conditions prevail as respects each of these matters, thereafter confine their investigation to the question whether and to what extent the following thing is done by the parties concerned as a result of, or for the purposes of preserving, those conditions, that is to say:—
the determination of the level of the prices at which each of the two descriptions of goods hereinbefore specified are supplied, and if so, whether or not such thing operates or may be expected to operate against the public interest.

For the purposes of this reference
(i) "Chlordiazepoxide and salts thereof" shall include preparations consisting of chlordiazepoxide or any one of its salts and an excipient, vehicle, base or preservative (with or without the addition of other active ingredients); and
(ii) "diazepam and salts thereof" shall include preparations consisting of diazepam or any one of its salts and an excipient, vehicle, base or preservative (with or without the addition of other active ingredients).

Dated this 14th day of September 1971.

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The continuing saga of . . .

BY NICHOLAS COLCHESTER IN NEW YORK

# IBM and the ~~7~~-~~6~~-5 dwarfs

DU PONT backed a synthetic leather called Corfam and it failed at a cost of $100m. Ford marketed the Edsel, now established as a four wheeled monument to business failure, and it cost $250m. A fortnight ago RCA Corporation decided that computers were not worth making. This represents the biggest business misfire of all. The pre-tax cost is estimated at $500m.

Such is the wealth and health of RCA that this enormous admission of defeat hurt its image not at all. To the Stock Market, it simply meant one year's loss and then resumed growth, with the $500m. that RCA would have had to commit to computers over the next five years rechannelled into the development of its traditional strengths. RCA had annual sales of $3,300m. and its computer sales were estimated at only $225m.—it had been all folly, the investors reasoned, to have spent so much on so little.

But to the European observer, the RCA computer saga is an almost unreal example of giant-scale corporate whimsicality. Only a year before the RCA chairman, Mr. Robert Sarnoff, informed staff, shareholders and and the business world of his Board's decision, he had told them that computers were RCA's "brighest single prospect of business growth" and had unveiled a new range of computers designed to drive straight into the solar plexus of International Business Machines. They were to make RCA number two—the computer world's Avis to IBM's Hertz.

Now that dream is over and the presskit photographs showing Sarnoff and his ex-IBM sales wizard, L. E. Donegan, leaning over RCA's latest hardware can be rolled up. Two thousand workers—many of them trained to a high pitch of technology—are suddenly on the dole. Perhaps 8,000 more are worried stiff.

RCA is trying to sell its computer division, with its distraught customers, to reluctant former competitors. The result of hundreds of millions of dollars and countless man-hours of electronic wizardry is on the market at a knock-down price and nobody wants to buy it. That is a measure of the attraction of the computer industry to-day—still in the trough of a recession, always under the shadow of IBM.

In the week following the RCA announcement, the Wall Street computer analysts tried to see who would benefit from the debacle and who would lose. Their verdict was clear in the movement of stockprices of the industry's protagonists. IBM shares showed a marked improvement but the stock of every other former competitor of RCA fell except for that of Burroughs. The message seemed to be that the market was having doubts whether there was room for anybody in the business besides IBM. General Electric had thrown in the sponge in 1970, RCA in 1971; who was for 1972?

In the 1960s, there had seemed to be so much to gain from jumping up beside IBM on the computer bandwagon. The growth in industry sales was running at 20 per cent. a year and IBM, in making the most of its dominant position in the industry, had created a price umbrella under which there seemed room for all. At that stage, the industry was affectionately known as IBM and the seven dwarfs. IBM had, in 1965, 74 per cent. of the market and most of the rest was shared between the dwarfs—Honeywell, the Univac division of Sperry Rand which pioneered the industry, General Electric, National Cash Register, Burroughs, Control Data Corporation, and RCA.

In 1970, the computer industry soured a little as U.S. computer sales fell for the first time. That year General Electric decided to pull out and sold its interests to Honeywell. At the same time, various smaller companies cashed in on the growing cost consciousness of U.S. corporations by offering computer peripheral equipment at lower prices than IBM.

It was assumed until recently that the computer market would pick up again with the economic recovery—an annual growth rate of 15 per cent. was the concensus figure. But RCA believes the computer industry will grow more slowly than had previously been expected.

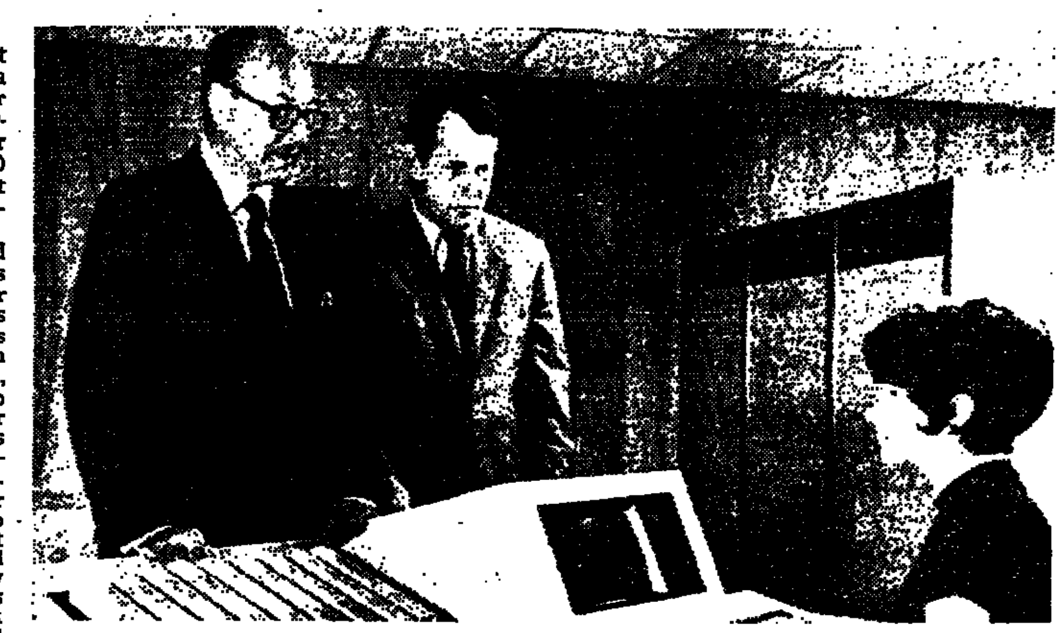
At the same time the import surcharge and the likelihood of a dollar devaluation bodes ill for the European markets that currently provide the main hope for computer sales growth. In 1970 IBM made over half of its profit from overseas, principally European, sales.

Industry observers have noted a marked shift in IBM's policies as the company reacts to tighter sales conditions and the efforts of its various competitors. It has made the leasing terms on much of its equipment more attractive, moving from 12-month leases to longer dated agreements at lower cost. More important, it has scrubbed its old policy of maintaining prices on old equipment.

IBM tended to hold on to older equipment that was returned to it and not offer it for resale at a lower price. This encouraged its customers to move onto new equipment whenever it was introduced, but it meant that IBM had to forgo a chunk of immediate revenue. This policy has been reversed—a decision that must have looked bad for companies like RCA which had chosen to compete directly with IBM, producing exactly compatible equipment at a lower price.

Finally in a blow aimed at its peripheral competitors, IBM announced a savage price cut of 15 per cent. on this type of equipment earlier this year. The competitors—companies like Memorex, Telex, and Potter—have kept going but analysts are beginning to wonder how.

Potter took out an anti-trust suit against IBM and this highlit the other running threat to the giant company. The Justice Department, which is the enforcer of U.S. monopoly law, is probing IBM, and every time one of its competitors, like General Electric or RCA, decides it has had enough, the industry leader must feel more and more uncomfortable. Last week Memorex, which has tangled with IBM in the past, blatantly claimed that RCA's computer demise was due to the "monopolistic position" of IBM.



Robert Sarnoff (left) and L. E. Donegan a year ago: $500m. at their fingertips.

So now there are only five of the original seven dwarfs facing a tight market and a defensive industry leader. How do they shape up? According to the 1970 figures, Honeywell accounted for 8.1 per cent. of total computer shipments; Univac 8.4 per cent., Burroughs 5.7 per cent., NCR 4.2 per cent., and Control Data 2.8 per cent. The now defunct RCA computer division had 3.8 per cent. and at this stage nobody knows where its customers are going to go next.

There are reports that various computer companies are interested in buying the RCA division, but the best guess is that RCA's old customers are going to take the quickest possible route to a safe, secure, IBM system. The probability is that the two-down-five-to-go feeling is going to bedevil the sales efforts of all IBM's competitors for some time.

Honeywell is the leading dwarf. Its merger with General Electric made good sense with two complementary product ranges and GE contributing a good European sales base. Ultimately the combined group will have to develop a compatible range of computers, but in the meantime it is making money.

Sperry Rand's Univac is also profitable. It has cornered a scientific market with a lot of Government clients and its main problem is breaking into the commercial world. Burroughs is an ambitious company which is making money out of a clientele centred in the banking and finance fields. It has pioneered the time-sharing concept with a number of "intelligent" terminals feeding into a large central computer. In this respect, it has a technological edge. Control Data concentrates on the scientific customer and has therefore suffered in the technological recession that has afflicted America in the last two years. It tends to sell rather than to lease and this makes its profit particularly sensitive to short-term fluctuations in capital expenditure. In 1969 it made a lot of money. In 1970 it was forced to write off a lot of inventory.

Finally there is NCR which had 4.2 per cent. of the market in 1970 and is, rightly or wrongly, considered least secure in the industry. The company's computer interests are currently turning in losses and are expected to do so until around 1974. A lot of its customers are in the retail business and it is trying to replace their cash registers with minicomputers, or "intelligent" terminals, linked to a large central computer. This system is less exotic than that being peddled by Burroughs and tends to come into direct competition with IBM.

If the company can survive the difficult period between now and 1974, it could go from strength to strength. But the current decline in the company's stock price represents a doubt that it has this stamina.

There are two other companies which have developed a significant computer challenge. The first is Xerox Data Systems, a subsidiary of the copier company, which took 0.8 per cent. of the market in the 1970 ranking. Formerly Scientific Data Systems, Xerox paid a cool $950m. for it when computers were still considered *the* things to make. XDS machines are aimed mainly at scientific customers. So far Xerox has reported consistent losses on this new venture.

The other aspirant dwarf is Digital Equipment Corp. This has become the leading supplier of mini-computers, a section of the computer industry that is currently showing unrivalled growth. These small, programmable machines, about the size of a small filing cabinet, are becoming increasingly popular in process control, for laboratory and hospital work, and for doing discrete and difficult jobs like typesetting or the control of small inventories. Sometimes they are linked to a large central computer in which case they become intelligent terminals.

The predictions are that they will account for 13 per cent. of all computer shipments by value in 1975. DEC could be on a good wicket—if it can stand up to the challenge posed by the IBM System/7.

. . . While in Germany

# Siemens out in the cold

BY MALCOLM RUTHERFORD, BONN CORRESPONDENT

THE NEWS of RCA's departure from the computer business came as a considerable shock to Siemens, much of whose emergence as a computer power was based on RCA technology and RCA supplies. The first licence and knowhow agreement was signed in 1964, and was renewed for a five-year period as recently as 169. There was no advance warning of the RCA decision.

The company has done its best to put a brave face on it, legitimately pointing out that over the years the exchange of knowhow had become very much a two-way affair, and that Siemens was gradually moving into a position where it could manage on its own. It was immediately admitted, however, that the time when Siemens can make a genuine profit out of computers has moved further into the future.

## Acceleration

Once the shock has worn off, one of the first results is likely to be the acceleration of a process which has been going on for several years, though more in talk than in practice: the move towards a European computer industry. Siemens itself has won the reputation of being rather snooty about this, especially in its attitude to the British ICL, whose advances it has more than once rejected. But perhaps the reputation is a little unfair, for over the past two years Siemens was under heavy pressure from the Government to lay the basis of a German-wide computer company by joining forces with AEG-Telefunken.

In many ways, such a development would have been entirely compatible with the Siemens philosophy and the recent history of relations between the two German electrical giants. The two companies, for example, have already pooled their resources by forming a joint subsidiary (Kraftwerk Union) in the field of nuclear and conventional reactors. It makes a loss, and will continue to make a loss for many years, but it does win contracts, and its formation is a sign of Siemens world wide ambitions. Both parent companies incidentally made their name in this sector by adapting American technology under licence.)

After more than a year of negotiations, however, Siemens finally told the Government in July that the computer deal was off. The full reasons have never been officially stated, but among them were Siemens' belief that in one way the Government's plans were too far-reaching in that they concentrated only on very large computers, and in another way too niggardly in that the Government refused to promise sufficient financial support over a long enough period. The largest AEG computers are considerably bigger than those of Siemens, and the Siemens idea is that it must advance to really large machines only gradually. It also feared that the large models of a joint concern would not be sufficiently based on the smaller models of Siemens.

The Government itself is not too unhappy about the breakdown, as a recent Parliamentary answer showed. The same idea of a German-wide computer company with some Government support (though not a Government stake in the equity) is now being pursued by fairly concrete negotiations between AEG and Nixdorf, some of which take place in the science ministry itself. Nixdorf is a privately-owned company which has made a spectacular rise to fame through the development of small machines of the kind which the founder, Heinz Nixdorf, believed the giants had neglected. It has no experience of the larger field of AEG, but both companies would appear to have something to offer each other. The position is that when they have reached specific agreement, they will ask the Government for specific help, and the Government has at least shown itself basically sympathetic. Siemens meanwhile, especially after the RCA affair, is out in the cold.

Yet its basic strength as a company and its determination to make a go of computers should not be underestimated. In the financial year 1970-71 (September 30) data-processing accounted for some DM900m. of total turnover of DM14,600m. Last year it was only DM700m., next year it should be above DM1,000m. It is estimated that all the computers installed in West Germany at the beginning of this year were worth DM10,000m. Siemens claims a market value of around 16 per cent., and nearer 20 per cent. if its specialist subsidiary, Zuse, is included. The export share of Siemens computer business is about 30 per cent., and as of to-day the company claims to have received orders for a good 1,500 machines at a total sales value of DM3,300m.

The IBM share of the German market, on the other hand, is still a good 60 per cent., and the German Government makes very little attempt to persuade German concerns to buy German, ruling only that in the public sector tenders from German computer firms must be invited. There is nothing at all to stop them being rejected.

The profit situation is naturally difficult. Siemens claims to have broken even on the selling of computers in 1969-70. It was hoping to break even on rentals around 1972, though it is admitted that this will now be delayed by the RCA developments. Even then, it is difficult to tell how far the figures are real. Direct Government support to the industry in both hardware and software in 1971 will probably amount to about DM300m., mostly divided between Siemens and AEG, but there may also be special credits.

## Three bets

Officially, Siemens says that RCA should not make too much difference, providing existing orders are fulfilled, which it appears that they will. The company has been very dependent on RCA for the 4004/35 machine, but the 4004/135 which comes on the market next spring is said to be very largely Siemens' own.

Nevertheless, it is likely to be looking round much more eagerly than before for a new partner. The chances are that this will be sought in Europe, and there are three main bets: Philips, ICL and the French Compagnie Internationale pour l'Informatique. Philips, which already has links with Siemens in other fields and whose computers models are very similar, is perhaps the most probable. But it is a sign of the times that Siemens spokesmen no longer rule out the idea of a European pool of the whole lot.

. . . And Britain

# Where ICL stands

BY JAMES ENSOR

THE ripples from RCA's sinking computer division will scarcely be felt in Britain, at all. RCA alone among the American computer companies had never taken much interest in becoming a multinational company. Until the last moment, it had shown no interest in establishing a European manufacturing operation, preferring to grant licences to Siemens and ICL.

Two months ago, RCA announced belated plans to establish a British subsidiary to market its new range of computers; but few people expected the company to make much impact in the depressed and highly competitive British market. RCA had left its plunge into Europe until it was too late.

RCA executives seemed a bit hazy about how their planned marketing operations would affect their relations with ICL. The ICL System 4 range of computers was based on the RCA computer generation superseded by its current models. The licence was granted to English Electric Computers, but since the absorption of this company into ICL, the System 4 range has received much less attention than the ICT-designed 1900 Series.

The System 4 Range has sold well in Eastern Europe and in the nationalised industries but it accounts for less than half as much revenue as the 1900 Series. The larger models have been extensively improved and developed by British computer engineers and owe little, except the basic systems architecture, to RCA.

ICL now looks to Control Data, which has a much more impressive reputation as an originator of advanced computer concepts, rather than to RCA for help in advancing its computer technology. The two companies, with the French Government-backed CII, have agreed to pool their research efforts and to design new products to common standards.

The withdrawal of Control Data from the computer business would be a real threat to ICL's future prosperity; the demise of RCA computers is something which it can now afford to ignore. If it softens Siemens' offhand rejection of future collaboration with ICL, it might ultimately even strengthen the British company's position.

ICL originally imported parts of the System 4 Range, particularly the more sophisticated types of peripheral equipment direct from RCA. It has been steadily reducing its dependence on this source by manufacturing parts of the system itself or where appropriate buying them from Control Data instead. It should be able to complete this process without undue difficulty.

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(Established 1888)
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FRIDAY OCTOBER 1 1971

# A step along the road

THE PROSPECTS for a successful conclusion to the current series of multilateral negotiations on exchange rates are now better than they have been at any time since President Nixon announced his new economic policy on August 15. There is of course a great deal of difference between an improved outlook and the production of an agreed settlement but even so it is now possible, following the address delivered to the International Monetary Fund by the U.S. Secretary of the Treasury, Mr. John Connally yesterday, to hope that a trade war may be averted and that a return to some kind of normality may be achieved.

### Conditions

The Secretary of the Treasury said that the 10 per cent. import surcharge, which is the cause of so much concern to other nations, could be removed within a matter of weeks on two conditions—the first being that America's trading partners should during that period make "tangible progress" towards dismantling some of the tariffs and quotas that upset the U.S., and the second being a move to genuine, if temporary, free floating of currencies as against the present system of what has been aptly named "dirty floating." Under this system there is no prospect of currencies finding their natural levels in the market, for Governments are adopting a number of devices to prevent that from happening. He poured cold water on the idea of increasing the price of gold, but was far less rigorous in his denial of any such intention than is usual in such statements.

It might seem at first sight that this set of propositions from Mr. Connally has little chance of meeting the wishes of, for example, the French, who believe in fixed exchange rates. But the indications from Washington are that the Americans are essentially interested in arranging for the maximum possible revaluations of the major currencies against the dollar, and that they are not fundamentally troubled as to whether this is achieved by freely floating the yen, the D-mark and the rest or by general agreement to fix new parities.

It is largely because of this that it is possible to be more optimistic about the series of international monetary discussions that will follow this week's annual meeting of the IMF—the "agreed programme of work" towards a solution that Mr. Connally referred to in his speech yesterday. But in spite of this welcome clearing of the air, the possibility of a breakdown in the negotiations still exists. The reason is that all countries have now to consider the likely effect of any proposed new package.

### The test

For each participating country this is a matter of extensive calculation, and some may not find the suggested new rates, or, perhaps at a later stage, the proposed alterations in tariffs or quotas, to their liking. Each change of position by one country will usually alter that of all the rest, and for this reason the discussions might well continue for longer than Mr. Connally's remarks suggested. The Japanese, like the Americans, appear to have become more conciliatory during the past few days, but the extent to which either country is prepared to meet the needs of the others remains to be put to the test of a signed agreement. So does the widely believed theory that at the end of the day, if all the other details are right, President Nixon will after all agree to a small increase in the official price of gold.

# Capital for the ports

A GREAT deal has been done since 1962, when the Rochdale Report was published, to modernise equipment in U.K. ports and to improve working conditions. But serious problems remain to be solved, many of them springing from weaknesses of institutional structure. Mr. Peyton, the Minister for Transport Industries, produced a long list of these in a speech which he delivered last autumn shortly before the collapse of the Mersey Docks and Harbour Board; he singled out in particular the amateur nature of much port management and the poor profit record of most of the industry. The collapse of MDHB after the Government's refusal to come to its rescue only emphasised what the Minister had said in criticism of the financial state of many port authorities. Expecting to be nationalised under a Labour Government, they neglected to raise charges sufficiently to keep themselves in the black and financed their capital expenditure by borrowing short.

### Credit rating

Of these two errors of judgment, the second was an inevitable consequence of the first. The majority of ports do not own saleable property which could serve as security for a loan. The market is willing to lend only on their profit record, and when profits are low or non-existent they can only borrow short. They are therefore in the position of having constantly to come to the market not so much to finance new development as to redeem existing debt. But the situation has been made worse, at least temporarily, by the failure of MDHB. It was widely though mistakenly supposed that the bonds of public bodies of this sort were somehow guaranteed by the Government; the Government's refusal to intervene, therefore, has lowered the credit rating of them all and made it both more difficult and more expensive for them to raise capital in the market.

This is the situation in which the Government has put forward new proposals about port finance. It hopes that in the long run an introduction of private equity capital will help to promote efficiency, but recognises that this must depend on a sustained improvement in profitability which it will take time to achieve. In the meantime, to help those ports which though financially sound have difficulty in re-financing their debt, the Government will itself put up loan capital in case of need. The loans will normally be long-term, for 10 years or more. To encourage the port authorities to have recourse to the ordinary capital market as soon as possible, however, the rate of interest will be relatively high—about 2 per cent. over the Government's own borrowing rate—and will rise over the life of the loan.

### Conditions

If these terms appear stiff, they are no stiffer than most authorities would have to pay in the market at present. More important for the long-term financial health of the industry is the part to be played in administering the new scheme by the National Ports Council. The Council, whose chairman is a merchant banker, will carry out a thorough examination of the position of any port requesting a loan. The port authority must agree to comply with any conditions the Council lays down, including "the carrying out of agreed financial and management measures" and to co-operate with it in monitoring performance. Finally, the Government will be entitled to repayment on demand if these conditions are not met.

It is not without significance that the Council, in its last annual report, said that it would encourage ports to adjust their charges to permit the building up of adequate reserves, pointed to the need for better costing procedures and budgetary controls, and suggested that it might be a good thing if port trusts were to have unambiguous financial obligations laid upon them like the nationalised industries.

**THE EMPEROR'S VISIT: Charles Smith, Far East Correspondent, looks ahead to next week's visit to Britain of Emperor Hirohito of Japan, and discusses the diplomatic significance of the Emperor's grand tour**

# Japan's move towards closer ties with Western Europe

THE Emperor of Japan's visit to London next week, as the centrepiece of his European tour, is an event of historic significance—and political ambiguity. It will be the first visit ever paid to the U.K. by a Japanese Head of State—indeed, no reigning member of the Japanese Imperial House is known to have travelled abroad before during the 2,600 years the dynasty is reported to have lasted.

It can hardly escape notice that Europe, and Britain in particular, has been chosen for this remarkable breach of precedent rather than the United States, which has been Japan's closest ally and leading trading partner since the war. Yet the Emperor himself is known to have taken the initiative in planning his trip and his reasons for doing so seem to have been at least partly personal.

The fact that the Emperor is visiting London rather than Washington is probably not the least personal aspect of his programme. He came to Britain 50 years ago on a Japanese battleship as Crown Prince Hirohito and has apparently never forgotten the hospitality he then received from King George V and the wide variety of people he met in Britain. As Crown Prince, Hirohito fished in a Scottish salmon stream (which he asked, in vain, to be allowed to revisit in 1971), was painted by Augustus John and took part in what he came to regard as the pleasantly informal life of the British Royal Family.

## Declaration of independence

His second visit to London and half a dozen other European capitals is in part a 70th birthday present from his own people (a 70th birthday in Japan is an occasion for a very special form of celebration derived originally from Chinese tradition). It can also be seen as a declaration of independence by the Japanese monarchy, which has hitherto been one of the most cloistered in the world.

But the tour is finally, and perhaps in the long run most significantly, a declaration of Japan's growing interest in, and anxiety to establish closer ties with, Western Europe. The Emperor will be followed by 200 Japanese correspondents during his tour, including no fewer than four from the Nihon Keizai Shinbun, Japan's equivalent of the Financial Times, which already has a staff correspondent in London. He will also be accompanied by the Japanese Foreign Minister, Mr. Takeo Fukuda.


Mainichi Shimbun

Left: Emperor Hirohito (who was then Crown Prince) during his visit to Britain in 1921. With him is Lloyd George. Right: the Emperor and Empress in Copenhagen this week at the start of their European tour. During a visit to the Royal Copenhagen Porcelain Manufactory they were presented with a blue fish in glazed earthenware.

If the tour does have a genuine diplomatic significance—as most close observers of Japanese politics appear to believe—this does not necessarily mean that it is intended to mark a sensational departure in Japan's foreign policy.

The Emperor met President Nixon in Alaska en route for Europe, and the country over which he nominally presides is still far more closely linked to the U.S. in trade and foreign policy than it is ever likely to become to Western Europe. Japan sends 30 per cent. of its exports to the American market and has actually *increased* that percentage during the current year, despite cries of protest from the protectionist lobbies in Washington.

Japan relies on U.S. military power for its security to such an extent that it, alone of the world's major industrial nations, has managed to continue spending considerably less than one per cent. of its GNP on its own armed forces. Finally, Tokyo and Washington, despite the shock administered by President Nixon's announcement of his plan to visit Peking, are still close partners in the field of foreign policy.

There is strong evidence that Japan was alone in being consulted by the U.S. Government well in advance about the American plan to pursue a two-China policy at the United Nations this autumn. The ultimate decision by Mr. Sato's Government to give support to that policy, despite Left-wing domestic pressures for an accommodation with China, shows just how important the American special relationship is to Tokyo.

If, despite that, Japan has now decided to branch out in its political and trade relations, there can be little doubt that it has compelling reasons for doing so. The most immediate motive undoubtedly is the international monetary crisis which has placed Tokyo and Washington directly at loggerheads and left Japan in the position of having to seek new allies among other industrial nations.

The Japanese want the major European nations to support them in pressing for a partial devaluation of the dollar as part of any realignment of international currencies. They have also been lobbying hard for what might almost be called an association of surplus countries.

## Eye on European markets

This would include West Germany and possibly Switzerland and would attempt to argue that deficit countries such as the U.S. should carry a heavier share of the burden involved in putting the world monetary system to rights.

There are some signs that the Japanese point of view on monetary issues, purveyed by, among others, Mr. Fukuda himself, has been making headway in Europe—at the very least Tokyo appears less isolated to-day from the world's other financial capitals than it did before the floating of the yen last August. But the monetary problem is not the only one which Japan appears to have in mind in its courtship of Western European governments. Japan also has its eye on European markets as a supplement, though certainly not a replacement, for its traditional markets in the U.S. and the Far East.

The attention being paid by Japanese trading companies to Europe is a new and highly significant departure in Japan's trading policy. As recently as last year the region accounted for less than 17 per cent. of Japan's global exports and a mere 2 per cent. of the total found its way to the British market. The fact that last year saw a 60 per cent. rise in sales to Europe was certainly no accident. It reflected the conscious decision of several of the country's leading trading companies to turn the full force of their attention to a European sales campaign. Those decisions are still being implemented in 1971 with results that are sometimes alarming.

Britain's imports from Japan during the first seven months of 1971 showed a 65 per cent. increase on the same period of last year, even though some of Japan's most competitive export products—such as cars and textiles—have hardly yet made their mark in the British market. British sales to Japan, by contrast, have so far shown an increase of only 5.5 per cent. over their 1970 levels.

The danger of Japan's export drive in Europe is clearly real enough to produce the sort of tension which is already so pronounced in Japan's trading relations with the U.S. To some extent, indeed, this tension is already apparent. There have been protectionist mutterings from certain sections of British industry. And some European businessmen have expressed themselves "frankly horrified" by the "brutal" methods of sales promotion used by Japanese companies.

At the official level the same feelings have expressed themselves in a marked reluctance on the part of the Common Market countries to negotiate a new, consolidated trading agreement with Japan which would dispense with or at least reduce the force of the "safeguard" agreements incorporated in existing bilateral trade agreements with Japan.

The U.K. is the only European country which has formally offered to withdraw the safeguard clause from its existing bilateral trade agreement in exchange for the withdrawal of Japanese import controls on certain goods of interest to Britain, and it looks as if this offer may have to be shelved in the interests of EEC solidarity once the final decision has been made on British entry.

But while the danger does exist of a wave of European protectionism against Japanese exports as severe if not more severe than that which is sweeping the U.S., there are still ways in which the danger may be avoided.

On the Japanese side there is some evidence that a policy of "orderly marketing" is now gaining favour within the Ministry of International Trade and Industry and even among the trading company executives who are actually responsible for selling Japanese goods. What this means in practice is that Japan may adopt a more diversified export strategy in place of the techniques of concentration which have caused so much trouble with the U.S. during the past two years. The effect would be to spread a given quantity of Japanese exports over a wider range of products and among a wider range of markets than in the past, and thus also to spread the burden for Japan's trading partners.

For those partners themselves there is an obvious case for replying to Japan's export drive with a counter drive in the Japanese market—and this is a message to which the Japanese themselves are now beginning to pay lip service. The complexity of Japan's domestic market, with its array of wholesaler's mark-ups, and the unwritten directives often thought to be issued by the Government to domestic importers, may seem to point in the other direction.

But there can be little doubt that the Japanese themselves are anxious for imported products—even when they have to pay £10 for a bottle of imported Scotch, or £25 for a pair of English shoes.

## British drive lapsed

Britain's own record in trade promotion so far as Japan goes has lapsed dismally since the 1969 British Week when £500,000 was spent on saturating Tokyo with London buses and beefeaters, and a total of more than 30 trade missions went to Japan. In 1971 there will have been only seven officially-sponsored missions, and none at all is expected to set off during the busy months of October and November when Japanese importers are normally at their most receptive. In fact, 1972 may well be another thin year thanks to the dislocation involved in the transfer of trade promotion activities from the British National Export Council to the projected Export Board, so it may be at least another 18 months before the U.K. is able to take up the slack in its sales campaign.

It will hardly be surprising if, in the interval, the traditional balance in Anglo-Japanese trade is replaced by a pronounced imbalance in favour of Japan and the result could be to encourage the protectionist murmurings which are already being heard here and there in British industry.

Yet the Emperor's visit, if far removed from the world of trade missions and tariff negotiations, should do something to take the edge off any bitterness. At the very least, Britain will be far better known in Japan once those 200 special correspondents have completed their reports next week.

# MEN AND MATTERS

## The use of your name

What rights do you have over the use of your own name, once you have incorporated it into a company name? An intriguing question, raised by two recent events, the latest being the writ taken out and served yesterday by Miss Ann Summers against Ann Summers Ltd., which runs the two "sex boutiques" in London and Bristol. Miss Summers resigned from Ann Summers Ltd. in June after a dispute with the main shareholder, Mr. Michael "Dandy Kim" Waterfield (the other big shareholder is Mr. Robert Pilkington). Miss Summers (contrary to what was at first said) had no shares in the company, nor a written contract which might, among other things, have given her powers over the continued use of her name. She became the "front" for the company on condition, she says, that she had veto powers over the products sold in the boutiques. But this right, she maintains, was not respected, and so she resigned.

The writ she has now taken out seeks to restrain the company from using, or selling the right to use, her name. She wants to guard against the possibility, she says, that the company, and her name on it, could come up for general sale.

A parallel to this case, though one not involving any writ, is Mr. Peter West, the BBC television commentator, who recently resigned from the public relations company which bears his name, Peter West and Associates. This again was after disputes with the major shareholder. West has now set up another PR firm, with many of his colleagues from the old Peter West company, but not using the Peter West company name, which he had to leave behind. He is now simply "West and Nally."

The Peter West affair may be settled amicably. But if Miss Summers' writ should come to Court, it will be an interesting judgement, complicated as it is by the fact that she was technically born Miss Annice Goodwin, but now has Annice always shortened to Ann, and became Summers when her parents remarried when she was still young.

## Womanpower at Manpower

The office of Manpower Economics under its Director, Mr. James Galbraith, may not be making quite the public splash that its predecessor, the Prices and Incomes Board, did under its boss, Mr. Aubrey Jones. It is not meant to. But it is moving steadily up towards its ceiling of around 75 staff—a ceiling set deliberately low by the present Government to ensure the OME does not become another PIB, which had 250 or so staff.

The OME now has over 50 people, and its latest top-level recruit joined this week. She is Mrs. Jean Collingridge, 48, who is widely known to employers and unions in the Midlands as head, until now, of the Department of Employment's conciliation service in the area.

Conciliation has been something of a growth industry in the Midlands. The number of Ministry staff dealing with conciliation (though not exclusively) has gone up from four to 22 since Mrs. Collingridge became regional chief in 1965.

What is interesting about her new appointment is that after 20 years or more "in the field," she is now to take charge of research work at the OME—in particular the investigation of measured day work, which is one of three research projects in hand, the others being equal pay and an appraisal of existing work on wage drift. The idea is, as she says, to bring "an earthy, practical approach" to OME research.

## The man who tries harder

There are two reasons, quite apart from his own qualities, which make Mr. Winston Morrow compulsive interviewing. One, is that he is the man who succeeded Mr. Robert "Up The Organisation" Townsend as president and chief executive of Avis. The other, for the future, is that only last week, two U.S. Federal Courts approved the anti-trust consent agreement whereby International Telephone and Telegraph, which owns Avis, must divest itself of the car-hire company within three years.

To take the future first, Morrow, a 47-year-old lawyer, is quick to stress that Avis's future ownership is a decision for ITT's boss Mr. Harold Geneen only. But when it comes down to the three obvious possibilities, that Avis should be floated off as a separate company, or sold to another smaller conglomerate, or sold to an airline, Morrow would obviously prefer the first.

While ITT has been a good parent, he reckons Avis could now stand on its own and raise all the capital it might need. The airline possibility (Avis grew around the airports) is more a thing of the past, Morrow says, for its business is now 40 per cent. in trucks or contract hire (hiring for more than a year) and may soon be 50-50 with traditional car rental.

On the third possibility, another conglomerate, Morrow, who clearly wants to go on running Avis for some time yet, won't talk: "If I start speculating on who might want us, I might just speculate myself out." But whatever happens, if Morrow and Avis find themselves independent, "We'll not be adopting the Townsend handbook."

It is not that Morrow does not like Townsend—"Hell, he made me president." But not everything which Townsend says happened at Avis in his time was quite as Morrow remembers it. "We all fell into the trap—five years later we were still handing each other medals for genius," when in fact four factors—the jet travel boom; enough money for the first time in the company's history; great advertising ("We Try Harder"); and a sound management team—happened to coincide to produce dramatic growth.

But whatever their different styles, Avis clearly breeds men with management theories. For Morrow has recently received quite an accolade by getting his own system of "Visible Management" adopted, with due credits to Avis, by Trans World Airlines.

## Old yarn

I am relieved to hear from a Yorkshire firm of toothmakers that "the thread of traditional British craftsmanship is still kept intact in the creation of our hand-made acrylic teeth."

**Observer**

# Party power tussles and the EEC

ONE OF the chief effects of the party system is to turn ultimately all arguments about issues into arguments about power. This is now happening very rapidly in the case of the Common Market—and at all levels of the discussion.

The most important political phenomenon to make its appearance since Parliament dispersed for the summer holidays has been the reconciliation of the Conservative Party in the country to the EEC. Tory MP after Tory MP is now returning to London with the news that his constituency association has miraculously stopped pestering him about the subject—unless to urge him at all costs to support the Government.

## Persuaded

Some constituency parties have always been pro-Market, of course, but many were not; and where there has been a change of heart it has generally come about not through any great conversion on the merits of the case but because the local Tory chairmen and other activists have been persuaded by Central Office—with some considerable help from Harold Wilson—that the survival of a Conservative Government is more important than their own doubts about entry into Europe.

The consequence is that the whole direction of pressure within the Conservative Party has been reversed. Whereas three or four months ago it was the pro-Market MPs who were on the defensive and muttering grimly about "grass roots democracy," it is now the anti-Marketeers who are under stress. This does not mean that there is not a small hard-core of Conservative MPs who will vote against entry. There is.

But it does mean, I should guess, that there will be very few abstainers and that the Government is now in the position it has been aiming at all along—namely that of being able to carry both the initial Common Market vote and the subsequent legislation without any assistance from pro-Marketeers on the Labour side.

Within the Labour Party, certainly, the debate continues—as anyone of normal hearing whose business takes him nearer to Brighton than, let us say, Lewes during the next week will be able to testify. But here, too, the discussion is dominated by considerations of power—not so much the power of the party in the country but (because Labour is in Opposition) the internal distribution of power within the party itself.

By this I do not mean to say that all the protagonists take the issue itself lightly. Mr. Roy Jenkins and his friends are risking their political careers largely on the basis of a conviction that the EEC is a question of transcendent national importance on which it is essential that they should be seen to back their own judgment. Conversely, for an anti-Marketeer like Mr. Douglas Jay, considerations of personal or even factional power are no longer relevant. Nevertheless, as the events of the next few weeks—starting with the Labour Party's conference debate on the Market next Monday—will no doubt demonstrate the Common Market is now hopelessly entangled with the ambitions of individuals and of factions.

A guide to the calculations and machinations of everybody involved would be a compendious and not particularly edifying document; but a brief look at the situation from the point of view of one of the protagonists—Mr. Jenkins—may give some idea of the kind of personalised terms in which any serious Labour politician is now bound to think about the "greatest national issue of the century."

Let us examine the deputy leader's options. Option 'A' is for him to try to maintain the status quo—in other words, to stand for the deputy leadership in November and try to remain in the Shadow Cabinet, irrespective of his vote on the Common Market.

The advantages of this course of action are obvious—if it can be brought off. It would demonstrate his ascendancy over other contenders in the clearest possible way if he can maintain his position in spite of all the difficulties; it would protect his supporters and friends from any victimisation; and it would preserve for him the role in which he shines best—namely that of leading front-bench spokesman.

## Dangers

On the other hand, there are serious dangers and difficulties involved. In the first place it would be a distinct blow if he stood for the deputy leadership and lost. Can he, in fact, win? The answer is that he probably can, but not certainly. He might be able to count on getting on for 100 votes out of 270 in the Labour Party. Mr. Michael Foot, the most likely candidate of the Left, can probably count on 70 or 80. A third candidate, therefore, who could be sure of picking up the other odd 100 on the first ballot might well beat Mr. Jenkins in the second round if he could swing the votes of the Left wing behind him.

Mr. Roy Jenkins—fearsome difficulties.

I do not regard Mr. Wedgwood Benn, who has been mentioned as a possible contender for this "third man" role, as a very genuine threat. He might well come thir din any such contest. Mr. Callaghan is a more serious proposition, but it is hard to see what he would gain from the contest unless he could be sure of a smashing victory in the first ballot. Dark-horse candidates, such as Mr. Healey, might well present a problem, or indeed any other moderate candidate of standing who rano n the line, "We all love Roy but we cannot have a deputy leader who will not accept majority decisions of the party."

This is the essence of the problem—and it raises practical difficulties quite apart from the question of principle. It is an obvious absurdity for Mr. Jenkins—or indeed any other member of the Shadow Cabinet—to remain on the front bench during the crucial Common Market vote on October 28 *if a three line whip is imposed.* Apart from anything else it would silence them during the debate itself and there is therefore a powerful case for their resigning *en masse* just before the debate, even if they propose to offer themselves for re-election immediately after.

But is it certain that the Shadow Cabinet will vote to impose a three line whip? At present it looks like being a very close-run thing. Three men apparently hold the balance—Mr. Wilson, Mr. Healey and Mr. Short. If all three voted for a free vote there would be a majority and a lot of immediate problems would be solved. But none of them can be counted on (though Mr. Wilson himself may want to help Mr. Jenkins if he can on the grounds that he is less of a threat as deputy leader than anyone else).

Let us suppose the worst, then, and assume that the decision goes against the free vote. What should Mr. Jenkins do? Resign outright? Or put his resignation in the hands of Mr. Wilson to do what he likes with? Or soldier on? And whatever he does, is he obligated to do the same during the subsequent legislation? If he had resigned as deputy leader before the main vote in October would he not have to resign all over again on the Treaty of Accession: or could he reasonably find some excuse for voting against that in the new session?

## Humiliation

Let us compound the difficulties still further. Supposing that Mr. Jenkins loses the deputy leadership—should he then stand for the Shadow Cabinet or retire to the back-benches? If he stays in the Shadow Cabinet, he will be swallowing a terrible humiliation and exposing himself to the same difficulties in regard to subsequent legislation as he would if he were deputy leader. On the other hand, if he refuses to stand for the Shadow Cabinet under these circumstances he will be slaughtered with accusations of being a "bad loser," "too arrogant to serve the party except in the top spot," and so on.

In view of these fearsome difficulties it is not surprising that Mr. Jenkins should have toyed with Option "B"—that is to say, total renunciation. There are various forms of this alternative, including an intermediate challenge to Mr. Wilson for the leadership itself. But the essential thought is that if he resigned forthwith and forbore to stand again he would have made his point, his hands would be clean, there would be no embarrassing compromises and, like others before him, he would be free to make his formidable presence felt on the back-benches in preparation for a decisive comeback at a later stage.

Against this attractive formula—doubly attractive perhaps to a man steeped in English political history—there stands the loss of front-bench status; the disappointment of ambitious followers; and the suspicion that what barely worked (and only by accident) in the case of Winston Churchill is not likely to work under modern conditions. Above all, a dramatic renunciation is not in accordance with Mr. Jenkins' temperament—in which a genuine streak of romanticism in design is overlaid with extreme caution in execution.

But enough of theorising. In fact, the upshot of this deb[ate] among Mr. Jenkins and [his] friends seems to have been [a] pragmatic and not altoget[her] satisfactory compromise. [He] will probably resign before [the] October 28 vote if the Shad[ow] Cabinet decides on a three-l[ine] whip (although his friends w[ill] demonstrate the maxim[um] determination in the meanti[me] in order to persuade the Shad[ow] Cabinet that a free vote, [or] something like it, is the le[ast] likely to cause an irreparal[ble] split). He will stand for t[he] deputy leadership a week la[ter] believing he can win. He d[oes] not, at present, intend to sta[nd] for the Shadow Cabinet if [he] is defeated for the dep[uty] leadership.

## Brave attempt

The chief flaw in this p[lan] seems to me to lie in the l[ast] item. The logic of Mr. Jenk[ins'] position demands that [he] should choose option "A" [or] option "B" and not fall [be]tween them. But it is, none[the]less, a brave attempt to keep [his] end up and it may even succe[ed] —providing the personal stra[te]gies of all the other protagon[ists] cancel each other out. T[he] wider question of whether it [is] "morally better" than any[one] else's or whether the admixtu[re] of expediency and perso[nal] ambition in it taints it as mu[ch] as any other, is another matt[er].

For myself, I should say t[hat] there is a thread of princi[ple] and consistency in it which [is] almost entirely missing fr[om] the position of any oth[er] probable contender for [the] deputy leadership. That m[ay] not count for much in [the] Labour Party these days. [But] it ought to.

## Labour News

# Dockers' pay: unions to think again

BY ROY ROGERS, LABOUR STAFF

FOLLOWING the employers' refusal to improve on their 6 per cent. pay offer to the Port of London's 10,500 dockers, the two unions are to reconsider their positions.

Last week the National Amalgamated Stevedores and Dockers rejected the offer but the bigger Transport and General Workers' decided to defer making a final decision until after yesterday's meeting with employers.

At yesterday's meeting of the joint review committee of the enclosed docks, the unions sought an improvement in the offered increases of £1.50 backdated to September 20 plus a further 75p a week fro mJanuary 3, 1972, under a deal due to expire the following January. They wanted a 12 month agreement together with a clause covering escalation in the cost of living.

Mr. Joe Payne, chairman of the employers, said last night that they had decided, "because of the serious position in the Port of London, that it would be quite irresponsible to increase the present offer."

Mr. Payne, managing director of Thames Stevedoring, went on: "Any increases over and above this offer would add to the difficulties and make it almost impossible to attract trade back to the port and indeed would result in further jobs being at stake."

The present round of talks are the first review of the Devlin modernisation scheme which, when it was brought in a year ago, gave rates of £36.50 and £39 while abolishing piecework and introducing two-shift working.

London's 1,000 tally clerks, who are currently on basic rates of £42.50 for a 32½ hour week, have rejected an offer almost identical to that made to the dockers. Their position is complicated by a claim for increased holiday pay and by moves from two employers to return some 50 redundant men to the Dock Labour Board.

The employers have pointed out that while they are not averse to improving the £33.50 a week holiday pay it was a national matter and would therefore have to be considered nationally.

## NUBE deal with Barclays International

SOME 2,000 staff of Barclays Bank International (formerly Barclays DCO) will benefit under a 6 per cent. cost of living pay deal negotiated by the National Union of Bank Employees.

Backdated to July 1, the 6 per cent. pay rise comes on top of 10½ per cent. all-round increases in January to give a cumulative increase of 17.1 per cent. According to Mr. Leif Mills, NUBE assistant general secretary, this is one of the "largest all-round minimum increases in any white collar field this year."

NUBE, which has sole negotiating rights at Barclays International, had lodged a claim for a 6 per cent. increase from June 1 in line with a clause in the earlier agreement stating that there would be no further claim for 12 months unless the Retail Price Index rose by more than 5 per cent.

A cost of living claim has also been lodged, through the Banking Staffs Council on behalf of the 165,000 staff employed in the clearing banks. The actual size of the claim will not be known until the Department of Employment has calculated and released statistics on the rise in the cost of living between January 1 and September 30. It is this figure which will be claimed.

# Stewards back company's plea against 'blacking'

TWO Midlands shop stewards yesterday supported a High Court application by their employers to remove a "blacking" instruction imposed by their union.

Coopers Road Services, of Wednesbury, Staffs., were granted orders against Mr. Alan Law, regional trade group secretary of the Transport and General Workers' Union, and shop stewards at five works which had "blacked" Coopers' lorries.

The orders, effective until Tuesday, order the "blacking" to stop at once.

Mr. Alan Campbell, QC, for Coopers, told Vacation Judge Mr. Justice Goulding that the shop stewards, Mr. Stanley Priest and Mr. James Wheeler, supported the company because they feared redundanciess among their workmates if the blacking continued.

## Men retained

The company has a work force of 118, with depots at Middlesbrough and Blantyre, and Mr. Priest and Mr. Wheeler had made an agreement on wages and other matters with Coopers, which had been accepted by the employees.

Subsequently, on instructions from Mr. Law, blacking operations began against Coopers. Three companies had since lifted the blacking, but it was continuing at Thorn Electrical Industries; Berners Steels, Aldridge; Ash and Lacey, Warley; British Steel Corporation, Bromford Works; and Global Plant Hire.

Mr. Campbell said the matter was urgent because the financial loss caused by the blacking was jeopardising the agreement reached with the company by Mr. Priest and Mr. Wheeler. "At the moment, my clients are keeping men employed to avoid redundancy," added counsel.

## Clyde Fair

MANY additional jobs could be created in the west of Scotland as a result of the Clyde Fair International, an 18-day fiesta in June next year, Mr. Andrew Armstrong, its general administrator, said yesterday in Glasgow.

Businesses and local authorities throughout the region were being approached for sponsorship and donations. Glasgow Corporation had given £30,000.

More Labour News on Page 21

# Stenhouse visits UCS yards after talks with union officials

BY ANDREW HARGRAVE, SCOTTISH CORRESPONDENT — GLASGOW, Sept. 30.

MR. HUGH STENHOUSE, chairman of Govan Shipbuilders, this afternoon paid his first visit to the three Upper Clyde yards and the Linthouse steel factory following talks with local union officials and shop stewards. Last week, he and his chief executive, Mr. Archibald Gilchrist, were refused entry by the stewards.

Earlier to-day, the union representatives had pledged their co-operation to Mr. Stenhouse on the understanding that he would extend his interest to all four units.

In his turn, Mr. Stenhouse, while confirming yesterday's undertaking to study the feasibility of including the Scotstoun yard in his new Government-backed company, and also "have a look" at Clydebank if asked by the Government and the unions, and if the necessary resources are provided, stressed that his brief at the moment was limited to Govan and Linthouse.

To-morrow, Mr. Stenhouse is to report to Mr. John Davies, Secretary for Trade and Industry, in the latter's Knutsford, Cheshire, constituency on the progress he has made since taking over the chairmanship of the company eight days ago.

Since then, he has added Mr. Kenneth Douglas, managing director of UCS to his Board as deputy chairman, as well as Mr. Robin MacLellan, president of Glasgow Chamber of Commerce, and Mr. Ronald Lyon, chairman of the property company.

Yesterday, Mr. Stenhouse had his first talks with union representatives led by Mr. Dan McGarvey, chairman of the shipbuilding side of the Confederation of Shipbuilding and Engineering Unions, and also including senior UCS shop stewards. The latter reported to their colleagues this morning before meeting Mr. Stenhouse again.

Mr. Stenhouse is going to Australia on a four-week business trip on Saturday. Next Tuesday, Mr. Davies will meet the union representatives in London in what is likely to be a crucial meeting on the future of shipbuilding on the Upper Clyde.

Report from Scotland, Page 12

## Shell-BP oil heating sales increase 30%

INSTALLATIONS OF oil-fired central heating systems have risen sharply. Shell-Mex and BP said yesterday that in the 12 months to July 31, its new installations increased by 30 per cent. compared with the previous year.

There were 55,000 systems added to make a total of over 500,000 oil-fired units.

In the first half of 1971, occupiers of existing homes had bought 30 per cent. more new Shell-Mex and BP systems, and in newly-constructed homes the increase was 47 per cent.

During the past three years the total number of new installations by all fuels has been about 780,000 annually.

# Unemployment: Government not complacent, says Heath

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT — BIRMINGHAM, Sept. 30.

THE PRIME Minister insisted here to-day that no one in the Government was complacent about the unemployment figures.

"We know the hardship which unemployment brings to individuals and their families," he told industrialists at a Birmingham Chamber of Commerce and Industry lunch.

Before the Conservatives came into office they had said clearly that they were "not prepared to tolerate the human waste and suffering that accompany persistent unemployment." They stood by those words to-day.

## Sign of recovery

But a confident Mr. Heath said that when measures to stimulate the economy had taken full effect it would be expanding "faster than for several years."

Retail figures for August, when available, would probably show a further rise, he said. In July they had been above the second quarter level.

There had also been some sign of recovery in home orders for engineering goods, and he advised Midlands industrialists to take investment decisions now when there was still spare capacity and delivery dates were short, and not to wait for some vague, incomprehensible movement of opinion in which everyone started ordering at once and delivery dates lengthened.

But Mr. Heath said he realised that even when the West Midlands was enjoying the benefit of the economic expansion that lay ahead, there would remain some longer term concern about the industrial future of the area.

This concern was vigorously expressed at a meeting the Prime Minister had with members of the West Midlands Economic Planning Council just before addressing the Chamber. Mr. Heath called them "extraordinarily valuable discussions."

Many Midlands industrialists feel that the location of industry policy is hampering industrial development in the area and Mr. Heath told the Chamber:—

"The Department of Trade and Industry (which operates Industrial Development Certificate policy) would expect to approve applications for rebuilding schemes designed to assist modernisation or to rehouse companies planned out of their premises in the conurbation.

"The control is operated flexibly and the Department recognises that certain companies have specific ties to particular localities and cannot be expected to expand far from their main bases of operations."

Later as Mr. Heath entered the Council House to have tea with the Lord Mayor he was jeered by about 200 students and factory workers, some from factories where redundancies have been declared. They shouted "Heath out" as Mr. Heath smiled and walked on.

At the Council House the Prime Minister was handed a petition from a deputation of local trades unionists head by Mr. George Evans, of the National Union of Vehicle Builders. It called on the Government to reverse its disastrous economic policies or resign, and said that Birmingham's unemployment rate was rising at twice the national rate.

The encounter lasted only a couple of minutes. Afterwards Mr. Evans said: "Mr. Heath spent the entire afternoon with employers and could only spare one or two minutes for us. It was disappointing."

## Saleroom

# Aeronautics and motoring

AT CHRISTIE'S yesterday a sale of aeronautic and motoring items totalled £41,168. The morning session was devoted to the sale in 187 lots, totalling £5,150 of the collection of aeronautics formed by Mr. William E. Appleby. Top price was £1,500 paid by Francis Edwards, for Mr. Appleby's The Encyclopaedia of the World's Aircraft.

Dormer paid £1,100 for a collection of about 1,000 photographic prints and 1,700 negatives taken by Robert Fellowes, and Juris gave £420 for a brass and copper model of the 1908 four-cylinder Mercedes.

Late on Wednesday, Christie's concluded their three-day sale at the premises of the remaining contents of Rose Terrace, Grosse Pointe, Michigan, the home of the late Mrs. Anna Thomson Dodge. The sale realised £266,770 bringing the total for the whole Dodge collection to £2,190,751.

A neo-classical giltwood suite de salon, sold for £6,531, a set of six Louis XV beechwood and cane panelled fauteuils for £3,673, and a French group of Venus and Cupid by Gerard Goutier, for £4,490. Two Aubusson carpets fetched £5,305 and £3,591 respectively.

The sale of the Frank S. Lawson collection of porcelain by Henry Spencer at Retford totalled £13,672. Jackson paid £300 for a set of seven Sampson Hancock plates and Payne £290 for an English dessert service and £255 for a 75-piece Sampson Hancock tea and coffee service.

# Natwest credit merger through

BY MICHAEL BLANDEN

A NEW major company in the instalment credit business comes into official existence to-day with the formal merger of the two companies in the National Westminster group, Lombard Banking and North Central Finance. Lombard North Central has been established by Act of Parliament to bring North Central, a long-standing member of the group, together with Lombard, acquired early last year.

The new company, with a balance sheet total of the order of £300m., is reckoned to hold some 15 per cent. of the instalment credit market, putting it in the same league as major companies like Lloyds and Scottish and Mercantile Credit.

Through this group, National Westminster claims to meet all kinds of credit requirements, with hire purchase and personal loans for individuals and instalment credit and leasing facilities for industry and commerce.

The group is also able to o[ffer] a range of banking servi[ces] including current and dep[osit] accounts, bridging finance [and] building and development fac[ili]ties. The group hopes to h[old] banking status in its new form [as] Lombard Banking previously h[eld] it—and thus to gain the bene[fits] which other instalment cre[dit] groups like United Domini[ons] Trust are seeking under the n[ew] credit control regulations.

# COMPANY NEWS + COMMENT

# Booker McConnell shows improvement

MR. D. POWELL, chairman of Booker McConnell, expects net attributable profits for 1971 to be "somewhat higher" than the £2.04m. of 1970. The interim dividend is being raised from 1¾p to 2p per share; the 1970 final was 4p.

He also expects that the amount earned in Britain will be significantly higher than anything achieved in the past.

His overall forecast is subject to the sugar crop being harvested without interruption by strikes or weather, and excludes any contribution from the recently acquired Sheppey Trust.

First half attributable profit before tax was £1,455,000, against a loss of £486,000. The contributing factors were: a better sugar crop which reduced the normal loss to modest proportions; a large part of engineering profits being earned in the first half; and the continuation of the general improvement in profits earned by most of the rest of the business, as well as the cutting out of loss-making activities.

Mr. Powell warns, however, that sugar profit is unlikely to reach last year's level because of rising costs and a lower average price.

| | First half 1971 £000 | First half 1970 £000 | Year 1970 £000 |
|---|---|---|---|
| Profit | 2,165 | *71 | 5,656 |
| Interest paid | 393 | 498 | 1,048 |
| Profit before tax | 1,772 | *569 | 4,636 |
| Minority interest | 317 | *83 | 721 |
| Pre-tax attributable | 1,455 | *486 | 3,917 |

*Loss.

● comment

Although Booker McConnell's first half recovery—producing the first interim attributable profits before tax for five years—is impressive enough, it unfortunately cannot be taken as a reliable indication of the potential second half growth. For while about half of the £2.3m. turnround in pre-tax profits is due to the absence of 1970's inter-union disputes and bad weather on the sugar side, Booker is now facing rapidly spiralling costs (especially wages) on virtually fixed prices. The second factor behind the turnround was the further progress made by the engineering side. Here the group not only benefited from streamlining but these interim profits also include an above average number of contract completion profits. So while profits for the full year should be up—especially as the expanded and reorganised retail division is moving well ahead—there could be an apparent slow down in the rate of growth. Nevertheless at a new 1971 high of 120p, the shares do not seem overvalued on a historic p/e of 15.2.

## INDEX TO COMPANY HIGHLIGHTS



# Over £1m. for Straits Rubber

Directors of Straits Rubber say that unless there is a marked change in commodity prices, profit, before tax, for 1971 is expected to be slightly in excess of £1m.

An increase from £322,000 to £494,000 is announced for the six months ended June 30, 1971.

The interim is raised from 4½ per cent. to 5 per cent. Last year's total was 15 per cent. paid on a pre-tax profit of £812,000.

The sale of Gedong Estate has now been completed and Straits has received the purchase consideration of 2.4m. shares of 10p in Merlimau Pegoh.

# R. Costain keeps to forecast

FIRST HALF profit from general trading of Richard Costain decreased from £1,430,000 to £1,333,000, but chairman, Sir Robert Taylor, is keeping to his forecast of a year's figure comparable to the £3,206,000 of last year.

The marginal first half reduction reflects poor market conditions and cost inflation in the U.K. But overseas activities continue to make good progress, Sir Robert adds.

Boosted by property sales and after reduced interest charges, pre-tax profit for the period advanced from £640,000 to £961,000.

An unchanged interim dividend of 9 per cent., on capital increased by a one-for-two rights issue, is declared and Sir Robert reiterates the intention of maintaining the total at 22 per cent.

| | Six months 1971 £000 | Six months 1970 £000 | Year 1970 £000 |
|---|---|---|---|
| General trading | 1,333 | 1,430 | 3,206 |
| Property sales | 213 | — | 2,124 |
| Other profits | 4 | *40 | *40 |
| Interest charges | 589 | 750 | 1,451 |
| Profit | 961 | 640 | 3,839 |
| Taxation | 384 | 288 | 1,429 |
| Net profit | 577 | 352 | 2,410 |
| Outside interest | *37 | †32 | †109 |
| Staff bonus | — | — | 380 |
| Available | 614 | ‡320 | 1,941 |
| Pref. dividends | 20 | 20 | 39 |
| Ordinary | 245 | 162 | 396 |
| Unappropriated | 349 | ‡138 | 1,506 |

* Losses. † Profit. ‡ Adjusted to conform with current treatment of profits and losses of associates.

● comment

Costain's low profitability U.K. road contracts should be running out by the year-end, while its overseas operations ought to be getting more profitable as the increased workload moves through the pipeline. Excluding property sales, the prospective p/e on average capital after a normal tax charge may be around 17 at 215p, so given increasing net worth estimates, the shares do not have to rely on the recurring bid stories.

# IDV to hold 12% total

THIRD PERIOD (four monthly) sales of the International Distillers and Vintners group increased by 4 per cent. to £33,198,000, but profit was virtually unchanged at £2,181,000, against £2,180,000, before tax but after gross minority interest.

This gives total sales for the year to May 31, 1971, of £118.28m., an increase of 11 per cent., and profits up from £7,564,000 to £7,636,000, before tax but after gross minority interests.

| | 1970-71 £000 | 1969-70 £000 |
|---|---|---|
| Group sales | 118,284 | 106,317 |
| Profit before tax | 7,660 | 7,589 |
| Taxation | 3,376 | 3,387 |
| Net profit | 4,284 | 4,202 |
| Outside holders | 8 | 18 |
| Attributable | *4,276 | 4,184 |

* Before extraordinary items—exchange differences on foreign currency borrowings, £173,000; special development expenditure written off £155,000; U.K. marketing and distribution reorganisation expenses (net of tax), £70,000; provision for overseas past service pensions (net of tax), £179,000. There were no comparable items in 1970.

It is intended to maintain the dividend at 12 per cent. with an unchanged final of 8 per cent. payable next January. Preference and Ordinary dividends will cost £3,172,000.

As to prospects the directors say the first fruits of the programme of rationalisation within the home market are beginning to be reflected in an improvement within this sector.

Overseas subsidiaries continue to show steady progress, and world-wide shipments of Scotch whisky continue to climb. On present evidence, and on the advice of the American agents, the temporary U.S. surcharge is not thought likely to impede the performance of IDV's whisky brands shipped to that market.

● comment

IDV's static first-half performance has kept the group on a profits plateau for the third year in succession (allowing for £685,000 exceptional credit in 1968-69). Most of the progress has continued to come from the North American spirits trade, particularly the U.S. sales of J. and B. Rare Scotch Whisky. But the main drag on profits is still the U.K. market where demand is comparatively low. The group is currently engaged in an extensive reorganisation of its U.K. sales set-up but the benefits of this will probably take at least two years to come through. This means that in the meantime, IDV's progress is unlikely to be dramatic, so the p/e of 15.9 at 66p is probably a reasonable rating, at least for the moment.

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# Kenning puts 1½% on dividend

DUE TO a combination of circumstances, mostly non-recurring, the Kenning Motor Group has suffered a reduction of £240,000 to £1,367,000 in second-half profits, leaving the pre-tax balance for the year ended June 30, 1971, ahead by £191,000 at £2,053,000.

However, the directors feel that the result coupled with prospects for the current year justifies an increase from 9½ per cent. to 11 per cent. in the final dividend, bringing the total up to 15 per cent. against 13½ per cent.

| | 1970-71 £000 | 1969-70 £000 |
|---|---|---|
| Turnover | 91,056 | 80,476 |
| Trading profit | 4,118 | 3,612 |
| Depreciation | 1,006 | 803 |
| Interest | 1,067 | 951 |
| Balance | 2,045 | 1,858 |
| Share assoc. profits | 8 | 4 |
| Profits before tax | 2,053 | 1,862 |
| Taxation | 804 | 795 |
| Net profit | 1,249 | 1,067 |
| Minorities | 17 | 17 |
| Attributable | 1,232 | 1,050 |
| Special debit | — | 1 |
| Pref. dividends | 79 | 79 |
| Ordinary | 786 | 707 |
| Retained | 367 | 263 |

Figures of the Rhodesian subsidiaries which are excluded (expressed in Rhodesian dollars) were: profit $459,000 ($273,000), less taxation $205,000 ($134,000).

During the year 11 depots have been closed and nine converted to other uses, while 17 new depots were opened. On the one hand terminal losses were incurred and on the other, setting up expenses. Most of those costs arose during the second half.

The changed role of Kennings S.A. has, as anticipated, resulted in a substantial profit reduction. This particularly affected the second half since it was not until January that British Leyland took over the group's previous area embracing South East France.

Kenning Tyre Services again achieved improved results but, here again, there was an imbalance between the two half years. The directors expect the current year will see a further profit improvement but it is probable that there will be the normal pattern of the second half being relatively better than the first.

Benefits of the mini Budget occurred since the year end and the directors are confident of a "further substantial improvement" in motor depot results this year.

They feel it possible to predict that a successful year lies ahead, although it is, probable that the second half will reflect the bulk of this improvement.

Results of Kennings Estates (a wholly owned subsidiary) show profits, before tax, lower at £587,000 (£625,000) for 1970-71, with the dividend again 25 per cent. Profit was struck after amortisation of £22,000 (£19,000) and heavier interest of £359,000 (£299,000). Tax requires £234,000 (£265,000).

● comment

The 18 per cent. fall in Kenning Motor's second half pre-tax profits came as a shock to the market after the big half-time jump, and the shares slipped 10p to 85p yesterday. However, the comparable period was exceptionally buoyant and several of the factors holding Kenning back in the January-June half should be non-recurring. Anyway, the upshot is fully diluted earnings rising from 4.4p to 5.1p a share and a 16.4 p/e. The boom in new car sales will, of course, help 1971-72 especially as Kenning's main supplier, British Leyland, has reached a 40 per cent market penetration in the U.K. However, the main advance may be delayed until the second half because of the changes in France and the altered tyre sales pattern; it is also hoped that the currently dull commercial vehicles side will begin to pick up in the New Year. In any event the current rating is hardly expecting a runaway year but that is in part a legacy of the no-growth record prior to 1970-71.

## DIVIDENDS ANNOUNCED

| | Current payment % | Date of payment | Corresponding div. % | Total for year % | Total last year % |
|---|---|---|---|---|---|
| Abwood Machine | 5 | Dec. 2 | 10 | 5 | 15 |
| Alliance Property 2nd int. | 6 | Nov. 16 | 5 | 11 | 10 |
| Amalgamated Tin | Nil | — | 5 | Nil | 5 |
| Astra Secs. | 20 | Nov. 12 | *15.55 | (b)33⅓ | (f)*22.22 |
| Barclay Securities ...int. | (c)15 | Nov. 30 | 12½ | — | 37½ |
| Beatson Clark ...int. | †2p | Nov. 19 | 1.575p | — | 4.75p |
| Booker McConnell ...int. | †2p | Dec. 7 | 1¾p | — | 5¾p |
| Brent Chemicals ...int. | 2½ | (g)— | nil | — | 2½ |
| Change Wares | 25 | Nov. 18 | — | (d)37½ | — |
| Clarke Chapman ...int. | 8 | — | 8 | — | 20 |
| Richard Costain ...int. | (b)9 | Dec. 2 | 9 | — | 22 |
| Delta Metal ...int. | 8 | Dec. 8 | 7 | — | 18 |
| Dowding and Mills | 23 | Nov. 29 | 20.83 | 32 | 29.16 |
| English & Caledonian int. | (e)3½ | Oct. 29 | 2½ | — | 9½ |
| Equitable Industrial of Scotland | 12 | — | 7 | 12 | 7 |
| First Natl. Finance int. | 17½ | Nov. 12 | *13.64 | — | *36.4 |
| Foseco Minsep ...int. | †1.46p | Dec. 6 | 1.46p | — | 4.21p |
| General and Commercial ...int. | 6 | Nov. 4 | 6 | — | 14 |
| Goodman Bros. | 35 | — | 30 | 35 | 30 |
| Grampian Hldgs. ...int. | 2½ | Nov. 6 | Nil | — | 5 |
| Huntleigh Invest. | 4 | Nov. 5 | 4 | — | 15 |
| International Distillers | 8 | — | 8 | 12 | 12 |
| Kennings Estates | 25 | — | 25 | 25 | 25 |
| Kenning Motor | 11 | Dec. 31 | 9½ | 15 | 13½ |
| Macallan-Glenlivet | 10½ | — | 9½ | 16½ | 15 |
| Maynards | 12 | — | 12 | 18 | 18 |
| Morgan Crucible ...1st int. | 6 | Dec. 6 | 6 | — | 21 |
| Ramar Textiles | Nil | — | 10 | 10 | 20 |
| Ready Mixed Concrete int. | 10½ | Nov. 18 | 9½ | — | 19½ |
| Reed & Smith ...int. | nil | — | 4 | — | 9 |
| Refuge Assurance ...int. | 35 | Nov. 5 | 35 | — | 135 |
| Reyrolle Parsons ...int. | Nil | — | 6 | — | 13½ |
| Somic | 4 | Nov. 18 | 3 | 4 | 3 |
| Straits Rubber ...int. | 5 | Dec. 3 | 4½ | — | 15 |
| John and E. Sturge ...int. | 7 | Nov. 8 | 7 | — | 15 |
| Tillotson and Son ...int. | Nil | — | 5½ | — | 15½ |
| TPT ...int. | 4 | Nov. 10 | *4 | — | *16 |
| Willows Francis | 5 | — | Nil | 5 | Nil |
| Wingate Investments | 9 | — | 9 | 14 | 14 |
| Woodall-Duckham ...int. | 5 | Dec. 31 | 5 | — | 20 |

* Equivalent after allowing for scrip issue. † Amount per share.

(a) Tax free. (b) On capital increased by rights and/or acquisition issues. (c) Final of not less than 35 per cent. forecast. (d) As forecast—made public November, 1970. (e) To reduce disparity. (f) For 10 months. (g) The October 18 date shown in the table for September 23 was incorrect.

# No Reed & Smith interim

FIRST HALF group pre-tax profit of Reed and Smith fell sharply from £313,000 to £3,000, and there is no interim dividend. For the year 1970 a total of 9 per cent.—interim 4 and final 5—was paid from a profit of £471,071.

The directors say a 16 per cent. reduction in paper output very seriously affected profit. The engineering subsidiary particularly suffered, not only from the effects of the world-wide recession in the paper trade, but also from the widespread depression in all sections of the engineering industry.

While never in a better position to take advantage of any improvement in trade, up to now the stimuli applied by Government to the economy "appear to have brought little lasting benefit."

Any distribution by way of dividend will be deferred until the outcome of the year's trading can more accurately be assessed.

The first half profit was after depreciation of £160,000 (£169,000). Tax takes £1,000 (£150,000), leaving ... are now that company's auditors. Profits in the other group companies aggregated a substantial improvement.

Short-term borrowings by the group were reduced by some £600,000 during the half-year.

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# Grampian Holdings improves

FIRST-HALF profits of Grampian Holdings (excluding Grampian Fasteners sub-group) show an advance from £145,400 to £380,600 and the full year's result is expected to confirm that the group is surmounting its problems, states chairman, Mr. D. C. Greig.

Trading profit of the Grampian Fasteners Companies (sold since June 30, 1971) amounted to £209,000 for the half year ended June 30, 1970, and £430,000 for all of 1970; since June 30, 1971, Grampian Holdings has received a gross dividend of £175,000 in respect of 1971.

The Fasteners' sale yields a total cash benefit of some £1.8m. and effects a planned substantial improvement in the group liquidity situation.

In the construction division difficulties are not finally resolved, but indications are that the loss for the year will show a "marked reduction" on 1970 (£773,000) and may not much exceed the £297,800 shown for the 1971 first half.

Interim dividends are resumed with a payment of 2½ per cent. declared—for 1970 a final of 5 per cent. was paid.

| | Half-year 1971 £000 | Half-year 1970 £000 | Year 1970 £000 |
|---|---|---|---|
| Group sales | 15,341 | 16,030 | 32,857 |
| Trading profit | 574 | 307 | 886 |
| Int. and expenses | 194 | 162 | 325 |
| Profit | 380 | 145 | 560 |
| Taxation | 165 | 70 | 262 |
| Minorities | 14 | 9 | 22 |

● comment

Ex the fasteners divisions, Grampian Holdings has more than doubled first half pre-tax profits. This is the result of reducing losses in the construction division plus a large profits upswing in the engineering, sports goods and printing sectors. In 1971 the construction losses should be held at less than half the 1970 total of £0.77m. Given this and a repetition of the group's traditional doubling of the first half earnings in the second six months, the full year should see pre-tax profits of about £1.32m. So on earnings of about 6.6p per share the prospective p/e of about 7½ at 49p (against the bid price of 41p from IFI last May), still leaves room for an improvement.

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# Francis first half recovery

A TURNROUND from a loss of £306,900 to a profit of £51,000 is reported by Francis Industries for the half year ended June 30, 1971.

In view of the result consideration of an Ordinary dividend is deferred until early 1972. For 1970 an interim and only dividend of 4 per cent. was paid. A loss of £465,930 was shown for that year.

| | Half-year 1971 £ | Half-year 1970 £ |
|---|---|---|
| Group sales | 6,215,000 | 5,880,000 |
| Trading profit | 201,500 | *154,300 |
| Interest | 150,800 | 152,600 |
| Profit | 51,000 | *306,900 |
| Corporation tax | 20,400 | — |
| Net profit | 30,600 | *306,900 |
| Preference dividend | 5,500 | 5,500 |
| Ordinary | — | 65,445 |

* Loss.

Chairman Mr. P. M. Tapscott reports that a trading loss at United Lift was incurred but at a reduced rate reflecting the effects of reorganisation. Changes of accounting policy have been effected and Armitage and Norton

# Maynard's profit expansion

THE SIGNIFICANTLY increased pre-tax profit indicated by Maynards, confectioners, turns out to be £492,703 for the year to June 30, 1971, compared with £353,887 for the previous year.

As forecast the dividend is maintained at 18 per cent. with a final of 12 per cent.

| | 1970-71 £ | 1969-70 £ |
|---|---|---|
| Profit | 492,703 | 353,887 |
| Taxation | 194,000 | 138,000 |
| Net profit | 298,703 | 215,887 |
| Exceptional credits | 886 | 173,605 |
| Dividends | 222,796 | 222,796 |
| Forward | 1,194,047 | 1,117,254 |

Mr. J. Douglas Maynard intends to relinquish as from December 1, 1971, the office of managing director. It is proposed that Mr. R. W. Ramsdale and Mr. H. P. Salmon be appointed joint managing directors with Mr. G. de Galleani as deputy chairman.

## UNIT TRUSTS

### STRATTON

During the six months to August 16, 1971, the managers of Stratton Trust report that the income account shows an amount of 1.39p per unit and 1.45p per Accumulation unit as available for distribution. The price of the units has increased by 24.8 per cent. over the six months, which compares with a gain of 32.7 per cent. in the F.T. Actuaries All-Share index.

### LONDON WALL STRONGHOLD

London Wall announces that the distribution on Stronghold Priority units for the six months to August 15, 1971, is 0.623p gross per unit, making a total for the full 12 months of 1.231p. This compares with 1.188p in the previous year. The offer price of the units has appreciated 31.5 per cent. over the period.

### CANLIFE PLANS

The Canada Life Assurance Company yesterday announced a new series of life assurance plans linked to units of the recently formed Canlife Unit Trust. The new policies are a range of endowment plans for periods of ten years upwards which offer a range of choice in their provisions, and an Investment Bond with a flexible maturity date incorporating a provision to withdraw a part of the value each year.

### TYNDALL PROPERTY FUND REPORT

The first annual report of the Tyndall Property Fund, which covers the period October 14, 1970, to June 30, 1971, reveals that, the amount received in premiums over the period was £1.928m. This compares with a total unit value of £1.998m., which represents an annual rate of increase of 7.3 per cent. after income tax and capital gains tax.

More Unit Trusts Page 29

## ISSUE NEWS

# Davies & Newman offer at 130p

Hambros Bank announces that underwriting has been completed for an an offer for sale of 1.135m. Ordinary 25p shares in Davies and Newman Holdings at 130p each. Full details will be published on Monday and application lists will open on Thursday, October 7. Brokers are Cazenove and Co.

The company's business is that of shipbrokers and shipping agents and it is also engaged in the aviation industry through its wholly owned subsidiary Dan-Air Services. Charter tankering accounts for 80 per cent. of shipping turnover. Dan-Air is involved in the "package-holiday" business under contract with Clarksons, Lunn Poly, Global, etc.

Over the past four years pre-tax profits have grown from £272,000 in 1967 to £764,000 in 1970 and a total of £840,000 is forecast for 1971. On the basis of indicated dividends of 30 per cent. the dividend yield would be 5.8 per cent., covered 1.6 times, and the p/e ratio would be 10.5.

### EMCO DEBENTURES

Arrangements have been completed for the issue of the $6m. (Canadian) 7 per cent. Convertible Sinking Fund Debentures, due August 1, 1991, in Emco.

### SOUTH AFRICAN BREWERIES

The U.S. $10m. 5-year loan for the South African Breweries has now been arranged by Baring Brothers and Co. and London Multinational Bank. Outwich of Johannesburg advised South African Breweries.

### EMPRESS SERVICES

Application lists for the offer for sale of 2m. Ordinary in Empress Services (Holdings) each at 14p per share closed over-subscribed.

### MIDLAND BANK STATISTICS

Statistics compiled by the Midland Bank show that the amount of "new money" raised in the U.K. by the issue of marketable securities in September was £81.1m. This brings the total for the first nine months of 1971 to £553.9m., compared with £319.1m. in the corresponding period of 1970 and compared with £538.8m. for the whole of 1970.

Among the issues included in last month's total were a stock issue by the City of Birmingham for a net £3m., after redemption of an existing stock, two issues by Slater Walker Investment Trust, of partly convertible loan stock for £10m. and of ordinary shares for £12.5m.; an issue of unsecured loan stock by Arthur Guinness for £15m.; and an issue of debenture stock by the Agricultural Mortgage Corporation for £10m.

# Dowgate & General Inv.

The directors of Dowgate and General Investments announce that the company is proposing to make a rights issue of 6,309,559 Ordinary 5p shares at the price of 12p per share. The new shares will be offered to holders registered on October 4 in the proportion of three new shares for every eight held.

The new shares will not rank for payment of the final dividend recommended for the financial year ended June 30, 1971. The directors expect that they will be able to recommend the payment of dividends totalling not less than 7½ per cent. in respect of the current financial year on the increased capital.

Drakes and its subsidiaries will subscribe in full for their entitlement of 1,406,250 shares. The issue of the balance of 4,903,309 shares will be underwritten by Samuel Montagu and Co. Provisional allotment letters will be despatched on Monday, October 11.

### GENERAL PRACTICE FINANCE

The Treasury has approved proposals by the General Practice Finance Corporation for a fourth issue of stock. Accordingly the corporation has made an issue, at £98½ per cent. of a further tranche of £250,000 of their General Practice Finance Guaranteed 8 per cent. stock 1978-83 to the National Debt Commissioners. The issue is covered by a Treasury guarantee.

### SIMONSIDE

Simonside Investment Company announces that shareholders took up £356,018 of their entitlement on the rights issue of £386,667 4½ per cent. Convertible Unsecured Loan stock 1976. The balance of £30,649 has been sold at a net premium over the subscription price for the benefit of entitled holders.

## OFFICIAL QUOTATIONS

### OFFICIAL QUOTATIONS

Permission to deal in and quotation for the undermentioned securities has been granted:—

**Bridgend Investment Trust**—After allotment, £33,333.30 New Ordinary stock.

**Direct Spanish Telegraph Company**.—After allotment, 2,950,000 Ordinary shares of 25p each, fully paid.

**McKay Securities**—900,000 Capital shares of 20p each, fully paid (R/C fully paid).

**Pennine Motor Group**—After allotment, 96,670 Ordinary shares of 10p each, fully paid.

**Crystalate (Holdings)**—After registration, 73,058 Ordinary shares of 5p each, fully paid.

**Westward Television**—2,225,200 New "C" Non-voting Ordinary shares of 10p each, fully paid.

**Coats Patons**—7,856,217 New Ordinary shares of 25p each, fully paid.

**Dumbarton County Council**—£250,000 5¾ per cent. Bonds, 4th October, 1972, fully paid.

**Dundee (City of)**—£1,000,000 5¾ per cent. Bonds, 4th October, 1972, fully paid.

**Edinburgh (City of)**—£500,000 5¾ per cent. Bonds, 4th October, 1972, fully paid.

**Lambeth (London Borough of)**—£1,000,000 6¾ per cent. Bonds, 3rd October, 1973, fully paid.

**East Cornwall Water Board**—£500,000 6¾ per cent. Bonds, 3rd October, 1973, fully paid.

### TEMPORARY SUSPENSION OF QUOTATON

Permission to deal in and quotation for the undermentioned securities has been temporarily suspended at the request of the company pending publication of particulars of the reorganisation of the company.

**Cannon Street Investments**—Ordinary shares of 10p each, fully pd; 9½ per cent. Partly Convertible Unsecured Loan stock 1976, fully paid.

**Mercantile Credit Company**—3,173 Ordinary shares of 25p each, fully paid.

**Perkins (Dorothy)**—36,60 Ordinary shares of 25p each, fully paid

**Prestige Group**—After allotment: 2,750 Ordinary shares of 25p each fully paid

**Takeda Chemical Industries (Takeda Yakuhin Kogyo Kabushiki Kaisha)**—From October 1, 1971: 104,367,450 shares of Y50 each, fully paid (ranking for dividend from October 1, 1971); and Bearer Depositary Receipts issued by Morgan Guarantee Trust Company of New York representing one, five, ten, 25, 50 and 100 Depositary shares (being units representing ten shares of Y50 each)

**Surmah Valley Tea Company**—From September 30, 1971: 800,000 shares of 25p each, fully paid.

**Kukicherra Tea Company**—Ordinary shares of £1 each, fully paid; 6¾ per cent. Cumulative Preference shares of £1 each, fully paid.

# RMC first-half upsurge: interim raised 1%

IMPROVED trading conditions at home and the mild winter contributed to a substantial increase in profit for Ready Mixed Concrete in the first half of 1971.

Before tax, it rose from £1.99m. to £3.42m.; a good start has been made to the second half and the Board is confident that the profit will well exceed the £5.09m. of the corresponding period of 1970.

The interim dividend is raised from 9¼ per cent. to 10¼ per cent. from earnings shown at 2.5p (1.6p)—the 1970 final was 10¼ per cent.

In the first half a higher level of turnover has been attained particularly in Europe where the group is endeavouring to increase its share of the market.

| | First Half 1971 £ | 1970 £ |
|---|---|---|
| Invoiced sales | 97,622,410 | 65,695,700 |
| United Kingdom | 59,279,434 | 44,397,149 |
| Overseas | 38,342,976 | 21,298,551 |
| Operating surplus | 10,831,742 | 7,197,996 |
| Depreciation | 5,802,132 | 4,211,027 |
| Depletion of land | 275,681 | 163,495 |
| Operating profit | 4,833,929 | 2,823,474 |
| Profit asset sales | 148,519 | 139,368 |
| Associates losses | 91,901 | 52,821 |
| Interest paid | 1,486,776 | 919,273 |
| Profit before tax | 3,421,771 | 1,990,546 |
| Group tax | 1,534,649 | 907,828 |
| Associates tax | 14,521 | — |
| Net profit | 1,872,601 | 1,082,718 |
| Outside interests | 372,868 | 196,327 |
| Extraordinary credit | 22,238 | 125,897 |
| Available | 1,522,171 | 1,012,288 |

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See Lex

## 1½% more by Macallan Glenlivet

Macallan—Glenlivet is raising its dividend from 15 to 16½ per cent. for the year to July 31, 1971, with a final of 10½ per cent.

Profit decreased from £301,165 to £275,656 but after a lower tax charge the net figure was up from £161,165 to £186,550.

The exceptional increase in costs caused a small net reduction in filling orders. However, some blenders with long term comitments, increased their fillings of Macallan.

Further progress was made in building up the company's own stocks to meet the mature single malt market and production was kept slightly ahead of last year's record level.

Demand for whisky fillings should be on a firmer basis in the current year with more activity in the mature whisky market. With the prospect of a lower average price of malt, costs should be contained; this leads the directors to look forward to "a satisfactory year."

| | 1970-71 £ | 1969-70 £ |
|---|---|---|
| Turnover | 850,011 | 823,313 |
| Profit | 275,656 | 301,165 |
| Taxation | 89,106 | 140,000 |
| Net profit | 186,550 | 161,165 |
| Dividends | 91,250 | 83,750 |
| Retained | 95,300 | 77,415 |

## J. BILLAM

At the annual meeting of J. Billam, chairman, Mr. G. Billam, said that in the first half of 1971, despite the Rolls-Royce setback, group sales showed an improvement of 11 per cent. and the rate of profitability was being maintained. There was every indication therefore that group profit will continue to improve in the current year.

Meeting Page 32

## Acrow sees another peak year

ANOTHER record year for Acrow (Engineers) was predicted yesterday by Mr. W. A. de Vigier. He also reaffirmed his forecast that the 1970-71 increased dividend rate of 19 per cent. would be at least maintained in the year to March, 1972, on capital to be increased by a proposed one-for-ten scrip issue.

Speaking at the annual meeting, Mr. De Vigier said the 1972-1974 capital expenditure programme, the biggest in Acrow's history and planned with Britain's entry into the Common Market in mind, would be financed internally. Shareholders' help in financing the programme would not be needed—"we have always believed in financial conservatism," he added.

The size of the Coronation works at Saffron Walden is to be nearly doubled, a considerable extension will be built at Stockport and there will be a new factory at Maldon. In addition, construction of a housing estate at Saffron Walden is being contemplated to improve housing facilities for workers.

Mr. de Vigier told holders the Board's policy of acquiring a large amount of freehold land around the various production centres was now paying its dividend. "We shall not require to purchase any land for the present extension programme. Moreover, the acreage of industrial freehold land still left will be sufficient to more than double the company's present production areas."

Of the current year, he said all associated overseas companies were working profitably. Substantial extensions had been approved both in South Africa and Australia.

Meeting Page 32

## 32% from Dowding & Mills

With net profit up from £277,096 to £336,735, for the year to June 30, 1971, Dowding and Mills is raising its dividend from 29.16 per cent. to 32 per cent., the final being 23 per cent.

The profit was struck after tax £227,085 (£214,682). The company's business is that of electrical and mechanical engineers.

## JENKIN AND PURSER

Chairman Mr. A. Towner told shareholders at the annual meeting of Jenkin and Purser (Holdings), Southampton-based motor-cycle and car dealers he would like to re-affirm the intention to expand in any suitable field complementary to present activities, in addition to expanding the business to lending companies. Attractive propositions were under consideration, he added.

HP Transactions and General and Housing Finance had already lent large sums of money this year, well secured at high rates of interest, and there appeared to be "no slackening in the volume of the business we are able to procure," the chairman said.

Meeting Page 31

## Growth at Redland

AT the annual meeting of Redland, the chairman, Lord Beeching, said he was glad to be able to emphasise, in the light of the five months results now available, that the improvement relative to last year continued.

"I am sure that the half-year's results, to be published in November, will show this advance to be substantial," he added.

## JOHN JAMES

At the AGM of John James Group of Companies the chairman reported that the investment and industrial divisions were in excellent shape. The relaxation in hire-purchase restrictions had resulted in an increase in turnover for Williams Furniture, but he gave a warning note that this would not necessarily appear as profits during current year and would be transferred to reserve for future years.

# Foseco Minsep earnings up

FIRST-HALF earnings per 25p share of Foseco Minsep show a modest increase at 3.41p, against 3.19p.

Total profits, before tax, declined from £2,989,000 to £2,868,000. Apart from a reduction in other trading, etc., there was a drop in profits of the metallurgical sector, where a fall in steel and casting production occurred in many countries, the directors state.

They stress that much uncertainty still hangs over the economies of the major industrialised countries and there are few signs of a quick recovery in steel and casting production.

Growth prospects of the metallurgical sector will, therefore, be affected in the short term, but promising new product developments coupled with the opening up of new markets give continued confidence in the future.

Meanwhile, the growth in other industry sectors is gaining momentum, a trend which should be maintained, the directors add.

An unchanged interim dividend of 1.46p is declared. A total of 4.21p was paid for 1970 on pre-tax profits of £6,041,000.

| | 6 months unaudited 1971 £000 | 1970 £000 |
|---|---|---|
| External sales | 23,978 | 21,720 |
| Trading profit* | 3,044 | 3,163 |
| Management & services | 176 | 174 |
| Profit before tax | 2,868 | 2,989 |
| Taxation† | 1,254 | 1,358 |
| Minorities | 134 | 270 |
| Attributable | 1,480 | 1,361 |

* Metallurgical, building, water and waste £2,962,000 (£2,955,000) and other trading, etc., £82,000 (£208,000). † Estimated.

Regarding Bamangwato Concessions, the directors say that every effort is being made to complete the arrangements for lessening investment commitments in Botswana so that the project may continue on schedule.

### ● comment

Foseco Minsep fell 5p to 138p yesterday following the news of a 4 per cent. drop in first half pre-tax profits. But given the worldwide steel downturn the results were predictable enough. In the current half the construction sector should make further progress with plastics, timber-treatment and pesticide control as particular features of the expansion programme. However, any significant improvement will depend on a recovery by the metallurgical side: foundry products are the most resilient section and in steel the U.S. looks promising though a lot could also depend on Japan and the outcome of the currency crisis. Overall, earnings of just over 7p per share (against 6.8p) look on the cards, and though the prospective p/e is up around 18 Foseco is confident of getting back on to its former growth path in 1972.

Statement Page 35

## BRIGHTON HERALD MERGES WITH GAZETTE

The Brighton and Hove Gazette and the Brighton and Hove Herald are to merge next week. As from October 1, the Southern Publishing Company, publishers of the Evening Argus, the Brighton and Hove Gazette and the Advertiser, has acquired from Leo Publishers the goodwill and copyright of the Brighton and Hove Herald, which from October 8 will be incorporated in the Gazette.

# BMK sees improvement

THE REDUCTION in purchase-tax and the removal of hire-purchase restrictions should be of great benefit to Blackwood Morton and Sons (Holdings) and should be reflected by an improvement in profitability, states chairman Mr. K. M. Hamilton.

He hopes that the advantages will not be offset by excessive demands for increased wages and higher costs for materials and overheads.

In the year ended June 30, 1971, overall trading profit of U.K. companies was similar to 1969-70, but profit of the Canadian subsidiary fell by £62,587. Group pre-tax profits were affected by increased interest charges resulting in a reduction from £553,606 to £494,754.

At the start of the current year there were indications of improved demand at Blackwood Morton and Sons (Canada) but Mr. Hamilton feels it is too early to say whether this will be maintained in view of possible adverse effects of the financial crisis in the U.S.

Commenting on the Common Market the chairman says that in EEC countries there are "great opportunities" for increasing sales and to take advantage of the expanded duty-free market, substantial investment in new buildings and plant will be required.

As reported September 1 the dividend is reduced by 2½ per cent. to 12½ per cent. Meeting, Kilmarnock, October 25, at noon.

## Thomson T-Line

Thomson T-Line Caravans reports a sharp fall from £231,590 to £91,591 in first half group profit before tax, after charging a £9,563 loss on launching Thomson T-Line (Homes).

The directors report that conditions at the beginnin gof 1971 were difficult but the improvement shown during the summer has continued, and has been accelerated by the relaxation in economic conditions. The new season just started has resulted in larger orders than ever before, and the factories are building up to full production.

The interim dividend is held at 15 per cent.—total for 1970 was 30 per cent. paid from profits of £360,978.

Providing for tax of £36,641 (£105,582), the half year net balance comes to £54,950 (£126,008).

Bantaskine Investments — holders of 673,868 shares—has waived its right to participate in the interim on 600,000 shares.

With the wider feeling of confidence, directors expect that 1972 will show a return to more normal growth.

## Overseas side holds back TPT

FIRST HALF 1971 pre-tax group profit of TPT paper tube makers, at £750,000, were much in line with the £756,000 of the 1970 period, but it is not expected that the record £773,000 figure of the second half of 1970 will be repeated this year.

| | Six months 1971 £000 | 1970 £000 |
|---|---|---|
| Profit | 750 | 756 |
| Estimated tax | 296 | 315 |
| Net profit | 454 | 441 |
| Minorities | 10 | 7 |
| Attributable | 444 | 434 |
| Interim dividend | 142 | 142 |

The directors explain that Great Britain operations were satisfactory, but there was a downturn in Northern Ireland and Europe which is continuing, accentuated on the Continent by the direct effect of American import restrictions.

Sales demand in this country has not yet responded to the Government's reflationary measures, they point out.

The interim dividend is effectively held at * per cent. Last year's total was equal to 16 per cent.

Chairman's Statement Page 3

## 30,000 new companies last year

MORE THAN 30,000 new companies, most of them private were registered last year—an increase of over 5,000 on the previous year, according to the annual report on companies by the Department of Trade and Industry.

The number of registered companies totalled 559,500, of which 542,000 were private. Public companies with a share capital numbered 10,270.

Total nominal capital of new companies registered during 1970 was £121m., an increase of about 30 per cent. on 1969.

Thirteen companies each having a nominal share capital of over £1m. were registered.

The number of companies dissolved or struck off the register in 1970 was 23,750, or just over 2,000 fewer than in 1969. Companies restored to the register totalled 186. Winding-up proceedings were notified in 8,75[illegible] cases, of which 1,337 were compulsory liquidations.

Under the DTI's responsibilities for observance of the Companies Acts, 52 applications for investigations were carried over from 1969 and 400 new applications were received in 1970. But of these, 319 applications were either refused, not proceeded with or were disposed of after discussion with the parties.

*Companies In 1970; SO, 32p.*

## RECENT ISSUES

### EQUITIES

| Issue Price p*** | Amount Paid Up | Latest Renunc. Date | 1971 High | 1971 Low | Stock | Closing Price p*** | + or − | Div. % or Amount | Times Covered | Gross Yield | P/E Ratio |
|---|---|---|---|---|---|---|---|---|---|---|---|
| — | F.P. | — | 51 | 37½ | Cap. & Counties W'rr'ts | 37½ | −1½ | — | — | — | — |
| ‡ | F.P. | — | 220 | 150 | Carron Co. (Hldgs) | 150 | ...... | b20 | 2.3 | 3.3 | 23.1 |
| 5 | nil | — | 15½ | 12½ | Cosalt Warrants | 13½ | ...... | — | — | — | — |
| 44 | F.P. | 27/8 | 66 | 52 | Forminster 10p | 66 | +1 | b37½ | 1.4 | 5.7 | 12.6 |
| — | F.P. | 29/10 | 95 | 88 | Grand Met. Warrants | 88 | −2 | — | — | — | — |
| — | — | — | 87 | 85 | McKaySecs.Cap Shares | 85 | ...... | — | — | — | — |
| — | F.P. | 15/9 | 77½ | 65 | Mucklow (A.&J.) Dfd. | 76 | ...... | — | — | — | — |
| — | F.P. | — | 161 | 150 | Slater W.Secs.W'rr'nts | 152 | −1 | — | — | — | — |
| 100 | F.P. | — | 105 | 102 | Slater W.Inv.Tst.(50p) | 102 | −1 | b4 | — | 2.0 | — |
| 28 | F.P. | 3/9 | 36 | 32½ | Thanet Inv. Warrants | 33 | −½ | — | — | — | — |
| 90 | F.P. | — | 79 | 60 | Tigon Group | 72 | ...... | bd35 | 2.0 | 4.9 | 10.5 |
| — | — | 5/11 | 55 | 38 | Tr'falg'r Hse'B'W'rr'ts | 49½ | ...... | — | — | — | — |
| ‡ | F.P. | — | 93 | 77 | Unitech 10p | 78 | +1 | z10 | 4.0 | 1.2 | 19.2 |
| ♦17½ | F.P. | 8/9 | 18 | 16½ | Wright-Scriven (12½p) | 17¼ | ...... | b12¼ | 1.5 | 8.7 | 7.7 |

### FIXED INTEREST STOCKS

| Issue Price | Amount Paid Up | Latest Renunc. Date | 1971 High | 1971 Low | Stock | Closing Price £ | + or − |
|---|---|---|---|---|---|---|---|
| ‡‡ | F.P. | — | 123 | 113 | Adepton new 8¾% Conv. Uns. Ln. 90/95 | 117½ | ...... |
| £100 | £10 | 20/1 | 13¾ | 10⅛ | Agr. Mort. 9% Deb. 1979-82 | 13⅜ | ...... |
| $100 | F.P. | — | 101 | 98½ | Airlease 9% Gua. $ Bds. 1986 | 100½ | −½ |
| $100 | F.P. | — | 101 | 99 | Do. 8¾% Gua. $ Notes 1976 | 100½ | −½ |
| £100 | £10 | | 11 | 10¾ | Birm. (City of) 8% Red. Stk. '79-81 | 10¾ | ...... |
| ‡‡ | F.P. | 17/9 | 112 | 98 | Butterley 10% Part. Conv. 1976 | 112 | ...... |
| £100 | F.P. | 22/10 | 125 | 106 | Cavenham 10% Partly Conv. '91-6 | 122 | −1 |
| £100 | F.P. | 22/10 | 103 | 101½ | Do. 11% Uns. Ln. 1976 | 103 | ...... |
| £100 | F.P. | 29/10 | 128 | 115 | Concentric 10¾% Cnv. 1996 | 128 | ...... |
| £100 | £65 | 14/1 | 76 | 67 | Distillers 10½% Uns. Ln. '93-8 | 75½ | +¼ |
| £100 | nil | — | 10 | 5½ | Dowty 7% Conv. Uns. '86-91 | 7pm | ...... |
| ‡‡ | — | 14/10 | 115 | 93 | Drakes 10% Uns. Ln. 71/78 | 101½ | ...... |
| £100 | F.P. | — | 120 | 104 | Do. 10½% Part. Con. Uns. 1976 | 120 | ...... |
| £99 | F.P. | 1/10 | 111 | 101¾ | Eastbourne Water 10½% Red. Deb. '95-7 | 111 | ...... |
| **100 | £25 | — | 36 | 35 | Do. 10% Red. Pref. 1976 | 35 | ...... |
| £100 | £25 | — | 31 | 30 | Essex Water 10% Deb. 1992-4 | 30½ | −¼ |
| £100 | F.P. | 29/9 | 107¼ | 100¾ | Flag Inv. 10½% Deb. Stk. '91-6 | 106½ | −½ |
| £100 | F.P. | — | 110½ | 108 | Gillett Bros. 10% Sub. Uns. '91-6 | 110 | ...... |
| £100 | F.P. | 29/10 | 104½ | 100¾ | Grand Met 9¼% Uns. '77/79 | 104¼ | ...... |
| £100 | £50 | — | 55½ | 54⅝ | Do. Do. 4¾% Cum Pref. | 55½ | ...... |
| £100 | £25 | — | 33 | 26½ | Guinness (A.) 10% Uns. 1993-98 | 31¾ | −½ |
| £100 | F.P. | — | 104¼ | 100 | Int. Bank 8% 1976 | 104 | ...... |
| £100 | F.P. | — | 102 | 98½ | I.C.I. Int. Fin. 8% ST. D.M. Bds. '78-86 | 101¼ | ...... |
| £97 | £10 | 4/2 | 13½ | 10 | Ireland 9¾% Stock 1991-96 | 12¾ | −¼ |
| £100 | F.P. | — | 110 | 102 | Kulim 10½% Conv. Uns. Ln. Stk. 92/97 | 110 | ...... |
| £100 | F.P. | — | 111½ | 103½ | Lon. & Mid. 9¾% Conv. Uns. 1988-91 | 104 | +½ |
| £100 | £80 | — | 80½ | 80½ | Lunt C. & Pltt 8¾% 1st Mort. Deb. '90-5 | 80½ | ...... |
| £99 | £50 | 15/12 | 32⅛ | 30¾ | Nottingham 8% Red. Stk. '79-80 | 31¾ | −⅛ |
| £100 | F.P. | 5/10 | 124½ | 114½ | Racal Elect. 6% Conv. '95-2000 | 123 | ...... |
| †† | F.P. | — | 42 | 41 | Rothschild Inv. 4½% Deb. Stk. | 42½ | ...... |
| †† | F.P. | — | 51 | 47 | Do. 5% Cum. Pref. | 51 | ...... |
| †† | F.P. | — | 68½ | 53 | Do. 6% Cum. Pref. | 58 | ...... |
| £99 | £50 | 31/1 | 61 | 50 | Sheepbridge 10½% Deb. '92/7 | 61 | +½ |
| £100 | F.P. | — | 106½ | 101 | Simonsdale Inv. 4½% Conv. Uns. 1976 | 101 | ...... |
| £100 | F.P. | — | 114 | 105½ | Slater W. Inv. 8¼% Part Conv. 1981 | 113¼ | −½ |
| †† | F.P. | 14/10 | 151 | 125 | Tozer Kemsley 6% Conv. 1981 | 139 | −2 |
| £100 | F.P. | 5/11 | 107 | 101½ | Trafalgar Hse. 10¼% Uns. Ln. 2001-6 | 106½ | +¼ |
| £50 | F.P. | 31/12 | 55½ | 52⅛ | Yorks Chems. 10% Deb. 1991-6 | 52¾ | −¼ |
| £100 | £10 | 29/10 | 16½ | 18½ | York Water 10% Red. Pref. 1976 | 18½ | ...... |

### "RIGHTS" OFFERS

| Issue Price p*** | Amount Paid Up | Latest Renunc. Date | Stock | Closing Price p*** | + or − |
|---|---|---|---|---|---|
| 12½ | F.P. | — | Bristol Plant | 14½ | ...... |
| 100 | Nil | — | Chubb & Sons | 14pm | −2 |
| 50 | Nil | — | Cosalt | 54½ | ...... |
| 70 | Nil | — | Dutton-Forshaw | 23pm | −1½ |
| 88 | F.P. | — | London & Lennox 'B' | 94 | ...... |
| 47 | — | Nil | Oil & Assoc. | 48 | ...... |

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. k Figures based on prospectus or other official estimate for 1969-70. p*** Pence unless otherwise indicated. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ♥ Issued by way of rights. † Rights by way of capitalisation. †† Tender allotment price. ♦ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ✻ Provincial quotation. ▲ Introduction. ♦ Issued to former Preference holders. ¶ Dealt in under Special Rule. § Price at time of suspension.

# INTERNATIONAL COMPANY NEWS + EURO MARKETS

## Dai-Ichi Kangyo merger may be first of several

BY OUR OWN CORRESPONDENT TOKYO, Sept. 30.

JAPAN will have a new leading commercial bank to-morrow when the Dai-Ichi Kangyo Bank comes into existence as a result of the merger of the Dai-Ichi and Nippon Kangyo banks.

Birth of the super-bank is likely to have considerable influence on Japanese financial and industrial centres and could lead to additional consolidations in Japan's banking industry. The merger especially fits the needs of the Japanese for greater accumulation of capital and a more international approach to banking.

Kaoru Inoue, currently president of the Dai-Ichi Bank, is to be named chairman of the new institution to-morrow during the first meeting of the Dai-Ichi Kangyo Board of directors. Takashi Yokota, president of Nippon Kangyo, will become president of the merged bank at that time.

The new bank, with deposits of approximately $11,000m., surpasses the Fuji Bank with its deposits of about $8,333m. Dai-Ichi Kangyo Bank, which will have 300 branches throughout the nation and its headquarters in Tokyo, will in terms of deposits be the 10th largest in the world, after four American banks, two British banks and one bank each in Italy, Canada and France.

The unusual merger is the first major step in a reorganisation of Japanese banking institutions. Others expected to follow will most probably include consolidations of city, local and mutual banks.

It will be the first consolidation of two city banks in Japan since the end of World War II. The Dai-Ichi Bank had ranked sixth and Nippon Kangyo had been eighth in terms of deposit totals among other leading city banks in Japan.

The two banks were able to agree on their amalgamation because of the obvious mutual advantage of their complementary relationship. Dai-Ichi Bank had ties with two major business and industrial groups—Kawasaki and Furudawa—and these were its main borrowing clients of any great size. But Nippon Kangyo had relations with no giant corporations as clients and depended on a well-balanced network of well-to-do branches throughout Japan.

Together, the banks will tend to consolidate the financial requirements of the Dawasaki Group and the Furuwaka Group, with the smaller corporations formerly financed by Nippon Kangyo. The new bank is counting on exerting sufficient influence to develop yet another powerful business group comparable in many ways with the Mitsui and Sumitomo groups.

## $-denominated bonds lag

IN ITS three-monthly study about the development of the Eurobond-market published in its *Bulletin Financier* the Kredietbank SA Luxembourgeoise emphasises the diversification of the range of securities offered on the primary market whose activity slackened as a result of uncertainties over the world monetary situation. This study highlights the activity and adaptability of the secondary market which experienced a fairly sustained rhythm of transactions.

The aggregate amount of Eurobond-issues closed during the three quarterly periods are, respectively, $1.246m. in the first, $629m. in the second and $557m. in the third quarter.

Among the 26 issues closed during the third quarter, only 10 were denominated in U.S. dollars.

## Preussag warns of no 70/71 dividend

BY CHRISTOPHER LORENZ FRANKFURT, Sept. 30.

PREUSSAG, the West German metals concern, has issued a warning to shareholders that it may not be able to pay a dividend this year. Last year the payout was cut to 7 per cent. from the previous 10 per cent., on share capital increased from DM225m. to DM315m.

Dr. Friedrich Kraemer, Preussag's chairman, said that profits had been hit by falling world metal prices, especially for lead and zinc. Non-ferrous and precious metals account for about a third of group sales. This sector is expected to make a loss of DM50m. this year, after one of DM20m. last year.

Dr. Kraemer did not forecast a final profit figure. Last year the group turned in net earnings of DM21.7m., down from DM26.6m. in 1969. Group external sales in the first six months of 1971 rose DM680m. to DM734m.

The profits picture should be much better next year, the chairman forecast. His assessment was made on the basis of a recovery in metal prices, combined with the effects of Preussag's rationalisation programme. This includes the closure of certain plants, the streamlining of management and the coming-on-line of a new zinc plant.

Over a quarter of Preussag's share capital is held by the Westdeutsche Landesbank Girozentrale.

## Moscow Narodny will open Montreal branch

BY MICHAEL SIMMONS, EAST EUROPEAN CORRESPONDENT

THE MOSCOW NARODNY Bank, a Soviet-owned company which has been operating in London since 1919, is to open a branch office in Montreal, according to Reuter reports from Quebec. The office will serve as a merchant bank for trade between Canada and the Soviet Union, which is likely to grow very fast in the next few years.

Mr. Kosygin, the Soviet Prime Minister, is to visit Canada later this year, visiting industrial complexes as well as Government offices. The Canadian Prime Minister, Mr. Trudeau, was a few months ago taken on an extensive tour of the Soviet Union.

In his statement to shareholders last April, Mr. N. V. Nikitkin, the bank's chairman, said that plans to open representative offices in Canada and Singapore should materialise "in the nearest future." Efforts were continuing, he added, to expand and diversify activities in North Africa, the Far East and North and South America.

The bank's assets on December 31 last stood at nearly £364m., and net profits, described as "highly satisfactory," came to more than £860,000. Total assets of the bank's Beirut branch, which showed "a very gratifying expansion" during 1970, went up by 22½ per cent.

PLAYBOY ENTERPRISES

## Within the public grasp

BY NICHOLAS COLCHESTER IN NEW YORK

QUITE SOON, each of us will have the chance to own a little bit of Playboy Enterprises, the company which gave the world bunnies with bosoms and the first magazine which everyone starts reading from the middle. In November 12 per cent. of this unique business is to be put within the public's reach at a price of something below $25 a share.

On the face of it, the new shareholders will own a part of a rich leisure company dealing in hotels, publishing, clubs, real estate and film production. In fact, he will buy one very extraordinary man's view of the ideal American male and his way of life. Somehow, Mr. Hugh M. Hefner, who owns 80 per cent. of the company and is its founder, president and chairman, discovered that there is, deep inside at least 6m. Americans, a dream man.

### Cornucopia

This phantasy moves irrepressibly through a world of wonderfully-furnished "yes-women" for whom he is a potent cornucopia, a dazzling connoisseur of high technology leisure equipment, masterful in his etiquette and sportsmanship, endlessly relevant in his power of discussion. His aspiration is "upward mobility" to a distant pinnacle of success where he too will perform kama-knows what feats of love at 40,000 feet. in a "customised" jet airliner, on a fur-lined bed, round, and with stereo.

If this dream becomes less prevalent than it evidently is at the moment, then it must cut at the very quick of the Playboy stock price. It is the essence of the magazine which preserves the phantasy and is phenomenally successful. And it is the essence of the resorts, clubs and hotels which try to make the dream come true—and are less successful.

The magazine has an unblemished record of growth. Last year, when most American magazines were going through a tough period, Playboy increased its revenues, for the year ending June, 1971, from $68m. to almost $74m. and its pre-tax profits from $15.6m. to $16.8m. In contrast, the company's hotel operation showed a pre-tax loss of $1.7m. last year against a very marginal profit the year before. The Playboy Plaza Hotel at Miami which Playboy acquired in the late summer of last year, had lost $2.3m. by the June year end. And the 17 Playboy clubs suffered a small decline in profit. In short, Playboy owes all its growth to the magazine.

The planned share offering will consist of 1.16m. shares and should raise something approaching $29m., if it goes well. Of these shares, 600,000 are being issued by the company and the prospectus notes that proceeds on the sale of these is largely earmarked to pay-off indebtedness on the construction of a new giant resort hotel being built near New York. The cost of this resort has clearly escalated uncomfortably from an unofficial estimate of $21m. earlier this year to the prospectus estimate of $29.5m.

### "Promotions"

The other point of great interest in the prospectus is inevitably the wealth of Mr. Hugh Hefner himself. After the share offering, he will still own over 70 per cent. of the stock. If the price is $25 per share, then Mr. Hefner's share of the issue alone will be worth $7.5m. The value of what is left would theoretically be $168m. At the moment, Mr. Hefner draws nearly $304,000 in salary, plus another $20,000 from a profit-sharing plan. On top of that, he can expect a dividend, before tax, of some $800,000 on his 6.7m. shares at the current rate of Playboy dividend.

Apart from the mere money, there are, of course, other perks involved in being one of the high priests of Playboy. The most exotic of these perks are justified in a section of the prospectus entitled "promotional and other activities." This starts: "The company believes that its sales of products and services are closely related to public recognition of its role in promoting a particular style of urban living."

In order to keep the public on the ball, Playboy owns a 54-room "corporate mansion" which is jammed with every conceivable electronic bonbon and is used "for charitable functions and a wide variety of promotional activities by corporate officers." It also serves as home for Hugh Hefner who pays a rental of $650 a month.

Finally, as the promotion of all promotions, there is the jet black Playboy jet which flies with spotlights playing on the white bunny emblem. This, the ultimate executive pad—with wings—must account for much of the company's $55m. investment in aircraft. It is, according to the prospectus, staffed with "jet bunnies" and is used principally "by corporate officers in domestic and foreign travel."

Last year, the cost of all these promotional activities was $1.9m. including depreciation.

### DM100M. EIB LOAN AT PAR

FRANKFURT, Sept. 30.

THE EUROPEAN Investment Bank's DM100m. loan is to carry a coupon fo 7¾ per cent. and has been officially priced at par. Signing took place to-day. Deutsche Bank is the leader of the all-German consortium. The other members are Dresdner Bank, Commerzbank and the Westdeutsche Landesbank Girozentrale.

## IN BRIEF

### Europe

● RANK XEROX'S Dutch unit, Rank Xerox (Nederland), said it will shortly start the construction of a Fls.5.5m. storage and distribution centre at Weesp, scheduled for completion in September 1972.

● STE GENERALE DE FONERIES provisional half-year net profits to June 30 rose to Frs.3.2m. from 2.9m. in same 1970 period. Thomson CSF said provisional half-year net profits to June 30 rose to Frs.13m. from 11m. in same 1970 period.

● STE NATIONALE DES PETROLES AQUITAINE provisional half year net profits to June 30 rose to Frs.145m. from Frs.135m. in same 1970 period.

● GRANGES AKTIEBOLAG plans to raise Sw.Frs.25m. of 15-year bonds through a public offering in Switzerland. Coupon expected to be 6½ per cent. and priced at par. Issue, which will be sold from October 5-12, and has been arranged by a syndicate of Swiss banks led by Von Ernst and Cie and including Handelsbank in Zurich, Banque Privee, Geneva, Banca del Gottardo, Lugano, Banque Cantonale Vaudoise, Lausanne, La Roche and Co., Basle, and Banque Scandinave en Suisse, Geneva. Granges is Sweden's largest steel and mining concern. Earlier this year it came to the international capital market with a $15m. long-term Eurobond issue.

● CONSTRUCCIONES AUXILIARES DE FERROCARRILES (CAF), the Spanish railway equipment manufacturing company, has signed technical assistance agreement with Fiat for the construction in Spain of 20 electric high velocity trains ordered by the RENFE, Spanish State-controlled railway company.

● COMMERZBANK said subscription rights for its proposed DM50m. capital increase will be traded and officially quoted on all West German Stock Exchanges from October 1-13, with final payment date being October 15. Bank is raising share capital to DM400m. from DM350m. by offering one new DM50 nominal value share for every seven held at a price of DM125 per share.

● MANUFACTURERS HANOVER LIMITED (MHL), the London-based specialised banking institution, is preparing to expand considerably its operations in the primary new issue) sector of the Eurobond market. MHL, which is better known for its medium-term credit activities, has been developing its placing power—a fact which is now being recognised by managers. Tony Constance, formerly of S. G. Warburg, is one of those most involved in helping to enlarge MHL's range of services.

### Others

● COMALCO confirmed it increased the price of aluminium semi-fabricated products—extrusions and rolled products—by about 3 per cent.

● PRIMA MEAT PACKERS, of Japan, has reached basic agreement with Oscar Mayer and Co., of the U.S., on a technology and capital tie-up. Under the agreement, Oscar Mayer is expected to acquire 25 per cent. of Prima Meat Packers' capital. The U.S. company would be limited to this interest for a seven-year period.

● AUSTRALIAN INDUSTRIAL AND MINING CORP. (AUSTIM) said it made a group loss of $A275,000 in half-year ended June 30. It made consolidated pre-tax trading profit of $A431,000, but tax of $A648,000 and other profits of $A58,000 produced the loss for the six months. The result excludes capital and other extraordinary write-offs of $A846,000 in half-year which relate mainly to the closure of unprofitable operations.

● TANGANYIKA CONCESSIONS has signed two conventions with the Government of the Democratic Republic of the Congo under which it will set up a company to develop and exploit the tourist potential of the Eastern Provinces (Kivu region) of the Congo, and operate some existing State tourist facilities. The company being set up is the "Societe de Development Touristique au Congo" (Tourcongo). Tanganyika Concessions will retain a leading interest, while other partners in Tourcongo include the Congolese Government; Socofide, the development Bank of the Congo; the Agence Maritime Internationale and Sabena Airways.

● BORAL and Total Holdings (Australia), a wholly-owned subsidiary of Cie Francaise des Petroles, said they reached agreement whereby Total Holdings will acquire the 50 per cent. interest held by Boral in the total Boral group of companies, effective January 1, 1972.

### NEWS LTD. EARNS $A4.5M.

By Michael Southern, Australia Editor

MR. RUPERT MURDOCH'S Australian-based News Ltd. group to-day announced group profits of $A4.5m. after tax for the year to June 30. This is an increase of $A346,112 over the previous year. But pre-tax profit showed a drop from $A5.8m. to $A5.7m. Increased profit was due principally to tax concessions arising from the company's mining and exploration activities. The company added that trading in the first qurater of 1971-72 was proving difficult. A final dividend of 5 per cent. has been declared bringing the total for the year to 10 per cent.

## SELECTED EURODOLLAR BOND PRICES
### MID-DAY INDICATIONS

| | Bid | Offer |
|---|---|---|
| **Straight** | | |
| Atlas Copco 9½pc 1985 | 101½ | 102½ |
| ASEA 8½pc 1986 | 94½ | 95½ |
| Beecham 8½pc 1986 | 93½ | 94½ |
| Borregaard 8½pc 1986 | 95½ | 96½ |
| Conoco 8pc 1986 | 93½ | 94½ |
| Conoco 9½pc 1985 | 102½ | 103½ |
| Courtaulds 9½pc 1985 | 100½ | 101½ |
| Denmark 9pc 1982 | 101½ | 102½ |
| Esso 8pc 1986 | 96½ | 97½ |
| Esso 9pc 1985 | 102½ | 103½ |
| General Mills 8pc 1986 | 93½ | 94½ |
| GUS 8½pc 1986 | 94½ | 95½ |
| Hambros 9½pc 1985 | 103 | 104 |
| Hamersley 9½pc 1985 | 100½ | 101½ |
| ICI 8½pc 1982 | 93½ | 94½ |
| Ireland 8½pc 1989 | 91½ | 92½ |
| ISEC 9pc 1985 | 100 | 101 |
| Massey Ferguson 9pc 1982 | 100 | 101 |
| Monsanto 8½pc 1985 | 99½ | 100½ |
| Mt. Bk. Finland 8½pc 1986 | 93½ | 94½ |
| Occidental 9½pc 1982 | 95 | 96 |

| | Bid | Offer |
|---|---|---|
| Oslo 8½pc 1986 | 93½ | 94½ |
| Olivetti 9½pc 1985 | 101½ | 102½ |
| Ontario Hydro 8½pc 1986 | 94½ | 95½ |
| Philips 6½pc 1976 | 94 | 95 |
| Quebec Hydro 8½pc 1986 | 93½ | 94½ |
| Transocean Gulf 8pc 1986 | 93½ | 94½ |
| **Notes** | | |
| Cabot 8½pc 1975 | 100 | 101 |
| Ericsson 8½pc 1975 | 101 | 102 |
| Esso 7½pc 1975 | 95½ | 96½ |
| Esso 8½pc 1975 | 102½ | 103½ |
| Gatx Oswego 8½pc 1977 | 97 | 98 |
| Hawker 9pc 1975 | 100½ | 101½ |
| Nippon Petr. 7½pc 1973 | 97½ | 98½ |
| Oslo 9pc 1975 | 102½ | 103½ |
| Transocean Gulf 8½pc 1975 | 101½ | 102½ |
| Source: White Weld Securities. | | |
| **Convertibles** | | |
| American Can 4½pc 1988 | 78 | 79 |
| American Brands 5½pc 1988 | 115½ | 117 |
| Amoco 5½pc 1984 | 85½ | 86½ |
| Beatrice 7½pc 1990 | 116½ | 117½ |

| | Bid | Offer |
|---|---|---|
| Borden 6½pc 1991 | 105 | 106 |
| Chrysler 5pc 1988 | 73 | 75 |
| Continental Tel. 5½pc 1988 | 95½ | 96½ |
| Eastman Kodak 4½pc 1988 | 99½ | 100½ |
| Equity Funding 5½pc 1988 | 97½ | 98½ |
| Firestone 5pc 1988 | 98½ | 99½ |
| Ford 6pc 1986 | 107½ | 108½ |
| Fuji Photo Film 6½pc 1985 | 120 | |
| Honeywell 5pc 1983 | 111 | 112 |
| Kinney 6½pc 1990 | 107½ | 108½ |
| Komatsu 6½pc 1984 | 88 | 89½ |
| Michelin 6pc 1985 | 94½ | 96 |
| Murphy 5pc 1989 | 82 | 83 |
| Owens Illinois 5pc 1977 | 98½ | 99½ |
| Pepsico 4½pc 1981 | 137 | 138½ |
| Rand Selection 6½pc 1986 | 91½ | 93 |
| Revlon 4½pc 1983 | 100½ | 101½ |
| RCA 5pc 1988 | 87½ | 88½ |
| Texaco 4½pc 1988 | 85½ | 86½ |
| 20th Century Fox 5pc 1987 | 82 | 83 |
| Union Carbide 4½pc 1982 | 92 | 93 |
| Source: Kidder, Peabody Securities. | | |

## COMPANY NEWS

## Barclay Securities expansion

WITH NO additions to the equity capital through acquisitions, Barclay Securities is heading towards another successful year in which internally generated earnings and assets will again rise substantially, forecasts the chairman, Mr. John Bentley, in his interim statement.

First-half profit has jumped from £310,000 to £615,317; apart from acquisitions this reflects continued growth of internally generated earnings.

The interim dividend is raised 2½ per cent. to 15 per cent., and Mr. Bentley reiterates the intention to pay a final of not less than 35 per cent., against 25 per cent. He has already forecast that the original profit estimate of £1.5m. will be exceeded.

After tax £333,600 (£139,500) and minorities £9,300 (£2,300), available profit for the first half is £472,417 (£168,200).

On the pharmaceuticals side, the Board is closely investigating four private company situations with considerable potential for rationalisation. Outlook for the division is good.

Generally, the toy division will stand to benefit from the situation at present prevailing in the U.K. industry.

Plans for reorganisation and promotion of the outdoor advertising industry are now coming to fruition.

### ● comment

With acquisitions distorting the picture it is difficult to gauge just what organic growth has been achieved by Barclay Securities in the first half. One thing is clear though, that is Barclay is going to make short work of the £1½m. profits forecast for 1971. Little has yet been seen in the way of profits from the toy companies with the lion's share coming in the second half. There is also some seasonal bias, again towards the latter half, in outdoor advertising so profits in the region of £1.8m. to £2m. must now be the likely final figure. Taking the lower end of the projection would put the shares at 151p on a maximum p/e of 15½. While the shares have had a good run of late, jumping nearly 50p in four months, this rating is hardly ambitious and a further forward move looks justified.

## Howard & Wyndham in profit

THEATRE PROPRIETORS and managers, Howard and Wyndham, has returned to profits. For the year to June 30, 1971, the pre-tax figure was £152,000, against a loss of £619,000 for the previous 16 months.

Mr. R. A. Fields, deputy chairman, says "considerably better progress" was made than expected a year ago. But in view of the substantial losses of 1969 and 1970 no Ordinary dividend will be paid.

He feels that, barring events beyond Board control, the company should continue to make "excellent" progress, both by internal growth and through appropriate acquisitions; a number of discussions have already taken place.

| | 1970-71 £000 | *1969-70 £000 |
|---|---|---|
| Turnover | 983 | 620 |
| Profit | 152 | †619 |
| Taxation | 25 | — |
| Net profit | 127 | †619 |
| Exceptional debits | — | 278 |
| Net profit | 127 | †897 |
| From reserves | — | 888 |
| Preference dividend | 2 | 3 |
| Tax relief | — | 12 |
| Retained | 125 | — |
| Fixed assets | 705 | 1,223 |
| Net current assets | 238 | ‡273 |
| Net tangible assets | 943 | 950 |
| Goodwill†† | 333 | — |
| Total net assets | 1,276 | 950 |

*16 months. † Loss. ‡ Deficiency. †† Arising on consolidation.

## Beatson Clark

While pre-tax profit of Beatson Clark and Co. for the current year may fall "somewhat short" of the record £854,000 for 1970, chairman Mr. A. W. Clark is confident of the future and an increased interim dividend of 2p per 25p share against 1.875p is declared. Total for 1970 was 4.75p.

In the six months ended July 3, 1971, profits before tax of the group—glass container makers—were lower at £344,000, compared with £393,000, from sales of £2,689,000 against £2,255,000.

Chairman says that the new production shop at Rotherham has continued to operate entirely satisfactorily, but the net immediate increase in production was only one machine line because of temporary closure of three existing lines until sales could be brought into balance. The higher depreciation and other overhead charges are responsible for the reduction in profit.

During September a further machine line has been commissioned and Mr. Clark anticipates that expanding sales throughout 1972 will require the use of the greatly increased production potential.

| | Half year 1971 £000 | Half year 1970 £000 | Year 1970 £000 |
|---|---|---|---|
| Sales: | | | |
| Home | 2,270 | 1,866 | 4,049 |
| Export | 419 | 389 | 954 |
| Total | 2,689 | 2,255 | 5,003 |
| Profit | 344 | 393 | 854 |
| Corporation tax | 122 | 177 | 279 |
| Net profit | 222 | 216 | 575 |

## Change Wares on target

In line with forecasts, profit, before tax, of Change Wares amounted to £277,457, against £240,451, for the year to July 3, 1971, and a final dividend of 25 per cent. makes 37½ per cent.

The profit is before tax of £110,565 (£120,117), and minorities nil (£16,213). General reserve receives £50,000 (nil).

The company, manufacturers of wiremesh shelving, was made public in November, 1970.

## Delta well ahead

A SATISFACTORY first half for the Delta Metal group, with much improved results, is reported by the chairman, the Earl of Verulam. Pre-tax profits of £7,022,000, compare with £5,851,000 in the corresponding period, and with £6,298,000 in the second half of last year.

Net profit, before Metal Account, was £3,622,000, against £2,956,000 and £3,257,000 respectively, with earnings shown at 3.97p (3.25p and 3.59p) per 25p Ordinary share.

And the chairman says the directors expect to repeat the first half figures in the second half of 1971, which would produce total earnings of 7.94p.

The interim dividend is lifted by 1 per cent. to 8 per cent. costing £1,791,000 (£1,554,000) and covered twice before Metal Account profits. The previous total was 18 per cent.

The considerable profit improvement was achieved despite "very difficult" conditions in some parts of the group. A drop in first half external sales from £97m. to £88m. is largely accounted for by lower copper prices.

| | Half-year 1971 £000 | Half-year 1970 £000 | Year 1970 £000 |
|---|---|---|---|
| External sales | 88,000 | 97,000 | 188,000 |
| Trading profit | *7,478 | 6,218 | 13,929 |
| Share assoc. | 873 | 786 | 1,642 |
| Trade invs. inc. | 87 | 65 | 193 |
| Making | 8,435 | 7,069 | 14,764 |
| Interest paid, less received | 1,413 | 1,218 | 2,615 |
| Profit | 7,022 | 5,851 | 12,149 |
| Tax | 2,823 | 2,376 | 4,873 |
| Outside ints. | 577 | 519 | 1,063 |
| Net before metal account | 3,622 | 2,956 | 6,213 |
| Metal profits | 486 | †798 | †3,862 |
| Tax | 194 | †334 | †1,589 |
| Net metal profits | 292 | †474 | †2,293 |

* After depreciation £2,072,000 (£1,838,000). † Loss. ‡ Relief.

Trading conditions remain difficult in some parts of the group. The directors have supported the CBI price restraint initiative.

Figures include the group's share of associates profits for the first time—the 1970 figures have been adjusted to make them comparable. The inclusion had advanced pre-tax profits by £435,000 (£363,000) in the first-half.

Metal profits, after tax, for the period amounted to £292,000, against a loss of £474,000 in the first half of 1970 and a loss of £1.8m. in the second half of that year. Metal profits or losses are dealt with at the year-end in the Metal Price contingency reserve, which at present stands at £1,254,000.

## First half progress at FNFC

FIRST HALF profits from First National Finance Corporation have advanced £840,695 to £3,250,606. The interim dividend is raised from the equivalent of 13.64 per cent. to 17½ per cent.

After tax £1,300,242 (£1,084,460) and minorities £155,888 (£169,927), net attributable profit came to £1,794,476, against £1,155,524).

For 1970, the actual dividend total was 40 per cent. and maintenance of that rate was forecast on capital increased by the 1-for-10 scrip. Profit was £5.36m.

## Wingate's 14% and scrip

Wingate Investments is holding its dividend at 14 per cent. for the year ended April 5, 1971, with a final of 9 per cent. A one-for-five scrip issue is proposed, and it is intended to repeat at least the dividend of the higher capital.

Gross rents rose from £330,438 to £484,285, net taxed profit from £121,698 to £153,129, and distributable surplus from £143,257 to £189,470.

A further substantial increase in distributable surplus is expected in the current year, with considerable tax allowances building up from the higher level of industrial development.

At April 5 the property portfolio stood at £6.36m. (£5.65m.). It is proposed to raise the borrowing powers to £15m. to accommodate the current development

## Clarke Chapman progress

ON A TURNOVER of £49.1m., group pre-tax profit of Clarke Chapman — John Thompson, mechanical and electrical engineers, amounted to £1.53m. for the half-year to June 30, 1971.

No comparable figures are given for the half-year to June 30, 1970, which was prior to the merger between the former Clark Chapman and Co. and John Thompson. For the year 1970 turnover was £98m. and profit £2.96m.

An increase is anticipated in investment in the U.K. which early next year should improve the trading position of that part of the group whose activities are nearer to the consumer field, but there are no signs as yet of a similar improvement in heavy capital plant, the directors state.

Work loading next year in the trading divisions is presently unever, but provided the company continues to match resources and workload and contain escalating costs, "we shall continue, in the absence of anything unforeseen, to make progress, which should be reflected in a rising trend of improved results for 1971 and 1972."

An unchanged interim dividend of 8 per cent. is declared. The 1970 total was 20 per cent.

| | Half-year 1971 £000 | Year 1970 £000 |
|---|---|---|
| Turnover* | 49,102 | 98,000 |
| Profit | 1,525 | 2,963 |
| Taxation | 550 | 1,253 |
| Minorities | 18 | 51 |
| Attributable | 957 | 1,659 |

* Comprises sales adjusted by opening and closing work in progress including estimate of profits on account of long-term contracts.

### ● comment

The lack of comparative interim figures make 1971 projections difficult where Clarke Chapman-John Thompson is concerned; but the management's clear intention to project a counter-cyclical, steady growth image suggests annual profits in the region of £3.2m. to £3.8m. before tax. That, on a normal tax charge, would give us earnings of around 8.7p a share, keeping the prospective p/e under 10 at 79p, plus 1½p yesterday. This looks cheap. There are always vultures around when a thrusting combine such as the old CC takes over a assets/turnover situation like Thompson; but it is worth remembering that Thompson came into the merger with a 1969 profits slump from £2.1m. to £1.2m. under its belt.

## Armitage Bros. ahead

First half group profit before tax of caterers and pet food manufacturers Armitage Brothers is ahead at £59,863 (£20,478) and chairman, Mr. S. R. Armitage, says that if trading continues for the next three months at the same level as at present, then the Board is confident results for the year "will be very satisfactory."

Profit for the year to January 10, 1971 was £54,452.

New offices have been built on a factory site at Colwick, where all the head office staff has now been accommodated; this should save substantial overheads and increase efficiency. Former offices at Nottingham have been sold at a satisfactory price.

The Pet Food division profit substantially improved, due primarily to a higher volume of sales. The range of products has been increased and further new lines will continue to be introduced. The half-year profit of £59,863 was contributed as to 96 per cent. by Pet Food division, 3 per cent. by Catering, and 1 per cent. by the Garage division.

The group's new bakery at Nottingham is hoped to be operational by the end of the year. All bakery production and offices will be consolidated into this one production unit.

### AMAL. ROADSTONE

At the separate class meetings of holders of the three debenture stocks of Amalgamated Roadstone Corporation resolutions approving the repayment were passed by the requisite majorities. Cheques have been despatched to those holders who have complied with the formalities set out in the circular.

## Wool textile men favour Market entry

MOST COMPANIES in the British Wool Textile Industry favour Common Market entry, Mr. J. Alan Clough, chairman of the wool textile delegation, the industry's central trade organisation, said yesterday.

Increasing import restrictions in many parts of the world now meant that the Common Market offered the best long-term prospect for British wool textile exporters, he said. Sales to EEC markets in 1970 were worth £30m.

No improvement in the industry's home trade was yet apparent, as a result of the Government's mini-budget. The real recovery would come only with a general improvement in the state of the national economy.

With Mr. W. P. Bulmer, chairman of the National Wool Textile Export Corporation, he was in Edinburgh to meet members of the National Association of Scottish Woollen Manufacturers.

Mr. Bulmer said the export corporation had been re-assessing its promotion policy in the light of imminent British entry into the Market and more funds would be made available for work in Europe—initially in Germany and France.

## COMPANY NEWS IN BRIEF

**WOOD AND SONS (HOLDINGS)** (earthenware makers)—Group sales half-year ended June 30, 1971, £676,000 (£576,000 and £1,235,331 for 1970). Group operating profit £71,000 (£38,000 and £131,563). Depreciation, etc., £36,000 (£35,000 and £72,132). Profit £35,000 (£23,000 and £59,231), less tax £5,000 (nil and £935). In view of a full order book, chairman sees no reason why the increase in profitability should not continue throughout the year.

**WESTERN DOOARS TEA HOLDINGS**—Dividend of 4 per cent. (2 per cent.) for 1970. Group profit £142,947 (£57,576), attributable £107,144 (£56,679), retained £52,034 (£91,194), dividends £55,110 (£35,155).

**SCOTTISH ENGLISH AND EUROPEAN TEXTILES**—Results year to April 30, 1971 reported August 21, with prospects of "significantly better" current year and return to dividends with 4 per cent. Directors' remuneration included £7,656 compensation for loss of office. Group fixed assets £619,143 (£644,507), net current assets £604,790 (£511,588). In difficult trading conditions priority given to strengthening competitiveness rather than seeking to extend interests. Chairman, Mr. J. H. M. Mackenzie, interested in 1,104,010 shares. Meeting, Essex Hall, Essex Street, W.C., October 26, at noon.

**WEST WITWATERSRAND AREAS**—Results year ended June 30, 1971, already known. Group investments R51.42m. (R42.81m.), including quoted R50.54m. (R42.05m.), value R160.61m. (R113.23m.). Cash R0.78m. (R10.35m.). Meeting, Johannesburg, October 21.

**RAND LEASES (VOGELSTRUISFONTEIN) GOLD MINING**—Results year to June 30, 1971, already known. Fixed assets R2.271m. (R10.05m.). Current assets R0.46m. (R0.62m.), liabilities R0.2m. (R0.24m.). Meeting, Johannesburg, October 21.

**TRANS AUSTRALIA INVESTMENT TRUST**—Results year ended July 31, 1971 reported September 13 with asset values. Should be possible to maintain 3 per cent. dividend for current year. Although fund firmly committed to long term growth of Australian economy, Board feels it would be in interests of shareholders to increase percentage of investments held outside Australia, and be able to participate in a wider range of investment opportunities. Board feels it would be appropriate to change name of the company to Australian and International Trust. Meeting, 120, Cheapside, E.C., October 21, at 2.30 p.m.

**HENRY SHOWELL** — Results year to April 30, 1971 with one-for-one scrip issue and proposal to change name to Excalibur Jewellery reported September 1. Fixed assets £219,257 (£221,642). Net current assets £561,431 (£761,218). Chairman says introduction of VAT in place of Purchase Tax and SET in 1973 will be beneficial to trade in long term, but immediate effect will be reluctance on the part of retailers to maintain stocks at present levels until Government make clear the method by which transition will be effected, particularly regarding goods on which tax has already been paid. "A statement from the Government on this point is urgently required if recession and unemployment is to be avoided in the manufacturing industries whose products are at present subject to purchase tax." Meeting, Edgbaston, October 19, noon.

**MELBUURNE HART** (subsidiary of Godfrey Phillips)—Group profit ten months to October 31, 1970, was £42,972 (£71,068 for year) subject to tax £18,263 (nil). Fixed assets £69,632 (£10,298), goodwill and trade marks £77,445 (same). Current assets £279,894 (£422,415) and liabilities £67,976 (£54,561). Meeting, Barnard's Inn, Holborn, E.C., October 20, at 3 p.m.

**HOCROFT TRUST** (subsidiary of Keyser Ullmann Holdings)—Results year to March 31, 1971, reported August 6. Breakdown of turnover and profit shows manufacture and distribution of electrical goods and accessories £1,855,165 and £309,211: electrical engineering £1,018,318 and £112,094: refrigeration engineering £1,027,599 and £38,089: manufacture of automation control equipment £2,800,519 and £125,206; lens manufacture £266,879 and £37,941. Group balance sheet (excluding banking subsidiary) shows fixed assets £1,471,339 (£1,968,312). Net current assets £2,068,091 (£1,298,775). Meeting, 31, Throgmorton Street, E.C., October 21, at 12.05 p.m.

**HOUSE PROPERTY COMPANY OF LONDON**—Group income before tax for half year to June 30, 1971, £19,567 (£15,627) after interest charges £2,867 (£1,411).

**DUNDEE ICE RINK**—No dividend (3½ per cent.). Loss £853 for year ended August 31, 1971 (profit £168). Forward £2,294 (£3,147). AGM November 19.

**DOWGATE AND GENERAL INVESTMENTS**—Final dividend 5 per cent. (3½ per cent.) making 7½ per cent. (6 per cent.) for year to June 30, 1971. Profit £93,888 (£32,111) after tax of £8,874 (nil). Attributable after deduction outside interest in subsidiaries £55,973 (£32,111). Dividends £45,177 (£32,392). Comparative figures have been adjusted to eliminate the exceptional non-recurring dividend of £76,737 from the group's holding in Flettons, renamed Northborough Investment Trust). Profits include those of Birmingham and Midland Counties Trust, for the 15 months ended June 30, 1971, and the cost of the ordinary dividends is arrived at after deducting income-tax retained against income-tax on surplus franked investment of previous years. Meeting, November 3.

**YOUNG AUSTEN AND YOUNG** (heating, ventilating and air-conditioning engineers)—Results, year ended April 30, 1971, reported September 2, with one-for-two scrip issue. Group fixed assets £336,549 (£309,290), net current assets £997,413 (£965,463). Mr. J. W. Johnson retiring from chairmanship on October 31 and will become president; Mr. H. W. Candy will become chairman and joint managing director and Mr. F. Hubbard deputy chairman and joint managing director. Meeting, Leicester, October 27, at 2.45 p.m.

**CITY AND OVERSEAS INVESTMENT TRUST**—Results year ended June 30, 1971, reported September 28, with net asset value. Chairman says outlook is encouraging with revenue rising and a higher asset value. Meeting, 37, Queen Street, E.C., October 22, at 11.15 a.m.

**OLIVER PELL CONTROL** (designers and manufacturers of electromagnetic components)—Results, year ended March 31, 1971, reported September 8. Fixed assets £160,525 (£153,392), current assets £1,001,883 (£811,549) and liabilities £874,289 (£547,341). Although the company should benefit from greater activity towards the year-end, chairman says it is now most unlikely that any subsequent increase will be sufficient to counterbalance the low level with which the year started and substantially reduced results must be expected in the short-term. Meeting, Charing Cross Hotel, W.C., October 21, at noon.

COMPANY NEWS

# Morgan Crucible expects profit fall

A REDUCTION from £4.78m. to around £4.29m. in group profit, before tax, is forecast by Mr. H. I. Matthey, chairman of Morgan Crucible, for the year 1971.

Following a first quarter decline of £184,000 to £927,000, profits after six months show a fall of £240,000 to £2,144,000, from sales of £18.8m. against £18m.

In all the circumstances, the chairman considers the first-half figures not unsatisfactory. The recovery which, until recently, it seemed reasonable to assume would begin during the last four months of 1971, "clearly cannot now take off before the beginning of 1972," and he feels it would be unwise to expect second half profits to be greater than those of the first.

Recessions apart the chairman says that 1971 has been, and is being, adversely affected by special group situations which, when resolved, will be beneficial to profitability in 1972 and thereafter. The two crucible factory relocations in the U.K. and in France are almost complete and profitability in 1972 will reflect these benefits.

The wide spread of the product range and of the markets served by the group will "undoubtedly enable us to take rapid advantage of the upsurge when it comes."

Sales and profits in high growth sectors of the business continue to increase throughout the world and sales overseas have, for the first time, reached 50 per cent. of total external sales.

Earnings per share are stated at 3.9p (4.3p—8.5p for all 1970).

An unchanged first interim of 1½p per 25p share is declared at a cost of £465,056—total for 1970 was 5¼p.

| | Six months 1971 £000 | 1970 £000 | Year 1970 £000 |
|---|---|---|---|
| External sales | 18,808 | 18,012 | 36,485 |
| Trading profit | 2,430 | 2,705 | 5,321 |
| Investment income | 24 | 30 | 201 |
| Finance charges | 310 | 351 | 742 |
| Profit | 2,144 | 2,384 | 4,780 |
| Taxation* | 819 | 1,010 | 1,958 |
| Net profit | 1,325 | 1,374 | 2,823 |
| Sundry debits | 41 | — | †78 |
| Minorities | 79 | 50 | 178 |
| Attributable | 1,205 | 1,324 | 2,722 |
| Pref. dividends | 11 | 11 | 22 |
| Attrib. Ordinary | 1,194 | 1,313 | 2,700 |

*U.K. tax reduced by relief for foreign taxes £633,000 (£902,000 and £1,598,000); overseas taxes after relief for losses £255,000 (£194,000 and £532,000); less: investment and building grants £89,000 (£86,000 and £172,000). †Credit.

Morgan manufactures materials and components for application in electrical, mechanical and electronic engineering; also in heat-using and chemical industries.

### ● comment

The pattern for Morgan Crucible's sales in the second quarter was much the same as in the first three months but at the profits level the leeway has been somewhat reduced thanks to a 2.4 points improvement to 12.6 per cent. in margins. There is apparently no significant reason for this except that the first-quarter margins were exceptionally depressed. The crunch, though, in the interim statement is the warning of no recovery this year. After all it was the hope of some late recovery that was propping up the shares, so the drop of 9p yesterday to 108p is understandable. But with little to look forward to for the remainder of the year a historic p/e of 12.7 is still looking a bit shaky.

### S. & P. INCOME

The gross distribution from Save and Prosper's Income Units for the six months ended August 15 is £1.11 per 100 units (£0.68 net); total distribution for 1971 is £2.11 (£1.27 net), compared with £1.98 (£1.16 net) in 1970.

In the half-year to mid-August, the offer price of the units appreciated by 27.4 per cent. to 35.8p. This was in line with a rise of 28.7 per cent. in a composite index consisting of a portfolio 80 per cent. invested in the FT-Actuaries All Share Index and 20 per cent. invested in the Actuaries Commercial and Preference Share Index, which reflects the balance of Income Units' portfolio.

## BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-division shown below is based mainly on last year's timetable:—

TO-DAY

**Interims:** British Rollmakers, Coates Bros., Commodore Securities, Emu Wine, Alexander Howden, Overseas Financial Trust, Pricerne, Tarmac, United Drapery Stores.

**Finals:** Canadian and Overseas Packaging Industries, Ingall Parsons Clive, Lewa Sisal, Williams Ridgway, Scottish Homes Investment, Tilley Lamp, Wankie Colliery, Thomas W. Ward.

FUTURE DATES

| | |
|---|---|
| **Interims—** | |
| Dunster (J. J.) | Oct. 7 |
| Grand Central (Ceylon) Rubber | Oct. 4 |
| Mowlem (John) | Oct. 5 |
| Pye Holdings | Oct. 5 |
| Rix (Oliver) | Oct. 4 |
| Royal Sovereign Pencil | Oct. 5 |
| **Finals** | |
| Enots | Oct. 4 |
| Gomme | Oct. 19 |
| Lake and Elliott | Oct. 21 |
| Lawtex | Oct. 8 |
| Sandhurst Marketing | Oct. 7 |

## Reyrolle Parsons setback

FIRST-HALF profits of Reyrolle Parsons amount to £295,000, and the second six months are expected to show little, if any, improvement. Therefore, the directors are not paying an interim dividend.

In 1970, first-half profit was £1.49m. and the whole year produced £4.37m. Holders received 13½ per cent., of which 6 per cent. was an interim.

| | First half 1971 £000 | 1970 £000 | Year 1970 £000 |
|---|---|---|---|
| Trading profit | 1,585 | 2,067 | 5,799 |
| Associated loss | 42 | *304 | *536 |
| Other income | 32 | 51 | 158 |
| Interest payable | 1,280 | 931 | 2,125 |
| Profit before tax | 295 | 1,491 | 4,368 |
| Taxation | 223 | 593 | 1,727 |
| Minority loss | 10 | — | *176 |
| Excep. debit | — | — | 196 |
| Preference divs. | 33 | 33 | 65 |
| Ordinary final | — | 800 | 1,800 |

*Profit.

The group carries on business of manufacturing equipment for the generation and distribution of electricity.

See Lex

## P. Brotherhood prospects

Chairman of Peter Brotherhood, Mr. W. Gardner, tells members it is too early to forecast the result for the year to March 31, 1972, but hopes to do this when announcing the interim dividend early next year.

Since the end of the year to March 31, 1971, the group has progressively reduced the value of stores and work and also the overdraft.

Results of the current year will benefit accordingly but inflation and the low rate of industrial activity remain. "Our present aim is to ensure that we are organised, equipped and ready to take full advantage of the improvement when it comes," the chairman stresses.

As reported on September 15, group profit, before tax, last year fell from £902,592 to £583,415 and the dividend is cut from 25 per cent. to 17½ per cent.

The order book for steam turbines remains "very satisfactory" and in view of the thoroughly depressed state of the capital goods section of the engineering industry orders in hand for other products are reasonable. Over 70 per cent. of the current orders are for export.

The group manufactures precision machinery. Meeting, 21, Tothill Street, S.W., October 26, noon.

Chairman's Statement Page 31

## Woodall-Duckham progress

CURRENT YEAR profit of Woodall-Duckham Group should be well sufficient to cover maintenance of the dividend at 20 per cent. (17½ per cent. for 1969), the directors state. An unchanged interim of 5 per cent. is declared.

Profit for the first half of 1971 improved from £358,000 to £397,000, subject to tax of £205,000 (£173,000). The 1970 pre-tax figure was £1,129,762.

The directors point out that figures for a six-month period are not significant. They would have been greater, but for the effect of the slower tempo of the economy on the manufacturing activities of some group companies.

The contracting business continues to be satisfactory, and will benefit further in 1972 from important orders placed during the summer.

The company is engaged in chemical, civil, mechanical engineering and contracting.

A subsidiary, Dunlop Nordac, has been formed to provide a comprehensive service in anti-corrosion and acid resistant linings.

The company results from a merger between Nordac, the Woodall-Duckham group rubber lining specialists, and Dunlop Chemline Services, the linings division of Dunlop.

Statement Page 35

## First half upturn for J. Sturge

THE RECOVERY forecast for 1971 by John and E. Sturge (makers of fine chemicals) remains valid on the evidence of first half results —profit has advanced from £167,800 to £305,300—and current estimates for the second half, the directors state.

Trading in products is near to present capacity with the exception of precipitated calcium carbonate, sales of which continue at a reduced level.

The interim dividend is again 7 per cent. In 1970 the total was held at 15 per cent. on profits down from £646,143 to £278,473.

| | First Half 1971 £ | 1970 £ |
|---|---|---|
| Turnover | 2,855,700 | 2,283,600 |
| Depreciation | 179,600 | 140,400 |
| Interest payable | 55,800 | 41,000 |
| Profit before tax | 305,300 | 167,800 |
| Taxation | 120,000 | 72,000 |
| Net profit | 185,300 | 95,800 |

## Confidence at David S. Smith

WITH the most substantial order book in its history, David S. Smith (Holdings) views the future with "considerably more confidence" than last year, chairman, Mr. D. S. Smith, tells members.

As reported on August 11, group profit, before tax, for the year ended April 30, 1971, declined from £343,054 to £292,637 and the dividend is 18 per cent. (equivalent 15¼ per cent.).

The chairman reports that re-equipment of the factory, financed entirely from group resources, is now virtually complete.

The group's principal activities are printing and packaging.

Chairman's Statement Page 32

MINING NEWS

# Vaal Reefs delays issue terms

BY KENNETH MARSTON

AS ONE of the many side-effects of the currently unsettled international monetary situation, Vaal Reefs has decided to postpone the announcement of the terms of its R35m. (£20.4m.) proposed rights issue until October 13. Renounceable allotment letters will be posted on October 22 to shareholders registered on October 15 and the offer will open on October 22 and close on November 5 at 3 p.m.

The offer will apply to the Vaal Reefs issued capital which has been raised to 14m. shares of 50 cents (29p) as a result of the recent one-for-two share acquisition of Western Reefs. Up to 5m. new shares will be offered and the sum to be raised will equal about 145p per Vaal Reefs' share. The latter were 25p down at 415p yesterday.

### Gold complex

As already announced, the new funds will be needed to finance operations of Vaal Reefs both at its own gold-uranium mine and also at the neighbouring Vaal Reefs South property where Southvaal is entitled to 60 per cent. of profits. The Vaal Reefs property is to have its ore milling rate increased from 200,000 tons to 240,000 tons per month while that of the new Vaal Reefs South is to go up from the planned 136,000 tons to 180,000 tons.

In addition, a new shaft to be sunk, probably in 1974, which will produce about 150,000 tons a month from the western part of Vaal Reefs South and the next-door Pretoriuskraal ground which is being acquired from Western Holdings in exchange for 1m. shares of Southvaal.

In a nutshell, a major integrated gold mining complex is being created which will have a life of over 25 years and which will make full use of the surface and other facilities of the relatively short-life Western Reefs property.

### DRILL VALUES AT NABARLEK

Details of all drilling at Nabarlek in Australia's Northern Territory are now given by Queensland Mines which recently downgraded its original estimate that the reserves contained some 55,000 tons of uranium oxide in ore with an almost incredibly rich average grade of 540 lbs oxide per ton. The last estimate put the reserves at 0.39m. tons of ore grading 16 lbs per ton plus 53,500 tons running 275 lbs per ton.

In its quarterly report the company says that 167 holes have been drilled at Nabarlek since July last year. Assay results range from 2 lbs uranium oxide per ton up to a maximum of 606 lbs which was obtained over an intersection of 10.25 feet.

Our Australian Editor, Michael Southern, reports that the former chairman of Queensland Mines, Mr. R. Hudson, explained that his earlier statement had been based on evidence that existed and was given to him by geologists. The costean at the top of the orebody had been very high, and the first drill-hole had confirmed the value. It was on the basis of this that the estimates were made.

The latest report said that negotiations for sales and contracts were in progress in Japan, the U.S. and Europe. The company has also initiated engineering studies and investigations relating to uranium extraction, water resources and construction of a town on the site.

### PROFITS SHRINK AT AMAL TIN

Underlining the difficulties of operating in Nigeria, particularly during the recent civil war, comes news that group pre-tax profits of Amalgamated Tin for the year to March 31 have dropped to only £14,594 from £634,921 in the previous 12 months.

However, after taking into account tax deductions and credits, allowing for the previous year's dividend and bringing in the respective carry-forwards of unappropriated profits, Amalgamated Tin had an unappropriated balance at March 31 of £778,070 compared with £870,482 a year ago.

No dividend is recommended for the past year. But in view of the receipt in London of the £821,878 repayment from the third buffer stock under the International Tin Agreement, it is stated that the Board intends to consider the payment of a dividend as soon as some of the present uncertainties have been clarified.

The annual report is to be issued on October 11 and the meeting will be held on November 3. Amalgamated Tin eased 2p to 18p yesterday.

## UNIT TRUSTS (Contd.)

### M & G "SUPERTRUST"

M & G Securities, Long Till and Colvin and a group of pension fund experts, under the chairmanship of Sir Harry Page, announce the M & G Local Authority Superannuation Trust —"Supertrust."

This trust is open to subscription by the superannuation funds of local authorities or similar bodies, which are exempt from tax to the extent of at least 85 per cent. The objective of the fund is to provide steady growth of income and capital from a portfolio of Ordinary shares and convertible debentures.

The income of the fund will be distributed twice yearly and the estimated starting yield will be about 3½ per cent. gross. The initial offer of units at £1.00 will remain open until October 28.

### NATWEST CHANGES

National Westminster Bank is to buy out Hambros Bank's 25 per cent. stake in Westminster Hambro Trust Managers, which is responsible for the management of National Westminster Hambro Growth Investment, Capital, Income and Financial Trusts. National Westminster Bank already owns 50 per cent. of the equity, and the remaining 25 per cent. is to be retained by Commercial Union Assurance. The name of the management company is to be changed to National Westminster Unit Trust Managers.

The £40m. invested in the four trusts will be under the control of a team of investment managers drawn from National Westminster Bank and Commercial Union.

It has also been agreed that Hambros' 50 per cent. interest in Ulster Hambro Trust Managers will be acquired by Ulster Bank, a wholly owned subsidiary of National Westminster Bank (which already holds 50 per cent. of the equity).

### PRACTICAL INVESTMENT

The final distribution on Income Units of Practical Investment Fund for the period September 30, 1970, to September 28, 1971, will be 2.140p gross per unit, payable on November 1, 1971, making a total of 4.060p gross for the period, compared with 3.864p last year. The corresponding retention of income for Accumulation Units is 4.704p gross for the period (4.380p for last year).

BIDS AND DEALS

# Limmer rejects Tarmac bid

AS EXPECTED, Limmer Holdings, the loss-making road surfacing and civil engineering group, has rejected the £4m. unilateral bid made by Tarmac after discussions failed to reach agreement on terms. The offer by Tarmac is worth around 32p a share, which is close to the recent market price.

Three main arguments are put forward. The directors of Limmer say a recently completed revaluation of group properties shows a "substantial excess" over book value at December 31 last and that the asset worth is some 11p a share more than the present bid.

In addition, it is felt the company's recovery potential is not taken into account and that the terms fail to provide Limmer holders with a reasonable participation in any benefits resulting from a merger.

More detailed arguments are to be put forward after Tarmac has sent out its offer document and in the meantime holders are strongly advised to take no action.

## Reeves-Heenan Beddow replies

In a strongly worded letter to shareholders in Reeves and Sons, it is argued by Heenan Beddow that Mr. C. Simmons, acting managing director of Reeves, has failed to support his rejection of HB's offer. There is no forecast of profits or dividends, no evidence that Mr. Simmons can safeguard the future of Reeves and no alternative bid, says HB.

Of the recent purchase by Mr. Wilfred Cass of control in Reeves' Artists Depot at £5 a share, HB says this compares with a value of £10 put on that company's shares by its underwritten terms. "This must surely reflect Mr. Cass's views of the real value of your shares," it is maintained.

HB also points out that while Mr. B. D. Wild, the Reeves chairman, and his fellow directors, Mr. M. B. Whittle and Mr. F. C. Triggs do not now intend accepting the offer, they are still recommending acceptance as are the company's advisers, Hill Samuel.

Last night, Mr. David Innes, chairman of HB, said he felt Reeves U.S. investment should not be taken into account in assessing its asset value and he maintained that HB could better utilise Reeves' spare capacity by injecting some of the Conway Stewart activities and could also make more profitable use of Reeves computer.

### BURT BOULTON-PRINTAR

Burt Boulton Holdings has acquired the Eastern Gas Board holding of 204,000 (45 per cent.) shares in Printar Industries for £255,000 cash. BB already owns 44 per cent., the remaining 11 per cent. being held by Esso Petroleum.

Esso is entitled to acquire 41,463 of these shares and BB has granted an option at the same price to Esso exercisable up to March 31, 1972.

Net assets of Printar at March 31, 1971, were £561,176, the proportion attributable to the acquisition being £214,381. Pre-tax profit of Printar attributable to assets acquired was £28,171 for 1970-71. The acquisition will strengthen the interest of BB in distribution of road materials.

Meeting Page 32

### WRIGHT-SCRIVEN EXPANDS

Wright-Scriven has acquired Alexander Kenyon and Co. and its subsidiaries for £260,000—914,286 Ordinary shares and £100,000 cash.

Net tangible assets of Kenyon at September 30, 1970, were £327,849; and it is expected that pre-tax profit for the year ended September 30, 1971, will be in the region of £35,000. It is engaged in the business of merchanting engineers' supplies, contractors' supplies, the distribution of liquefied petroleum gases, and the manufacture of oil lamp burners and fusible cements.

Wright-Scriven is a quoted subsidiary of Bank Bridge Securities and Bank Bridge has underwritten for cash at 17½p the issue of the 914,286 Ordinary.

## Italian link for Royal

The Royal Insurance Group and SAI (Societa Assicuratrice Industriale), a leading composite insurance company in the Italian market, have entered into an agreement for mutual collaboration which includes facilities for full claims service in their respective countries. The exchange of technical and commercial information is also envisaged.

For the Royal this is a further step in the development of its ties with Europe, and the Common Market countries in particular. It makes available to them additional facilities throughout Italy to meet the requirements of British firms with interests in that country.

Mr. J. Howard, a director and general manager of Royal, indicated that further links of this nature could be expected as British insurers prepare for the opportunities and patterns of trade likely to develop if Britain joins the Common Market.

The initial introduction leading to this agreement was made by the international bankers, Lazard Freres of Paris.

### SEMPAH TERMS FOR TOWN CENTRE

Terms of the foreshadowed offer by Sempah (Holdings) for 70 per cent. of the equity not already owned in Town Centre Properties are two Ordinary 10p shares for every nine Ordinary 10p of TCP, underwritten for cash at 8p a share.

Sempah is forecasting dividends of not less than 12½ per cent. for 1971, to which accepting TCP members would be entitled.

In the offer documents Sempah, which describes itself as being engaged in general financial, entrepreneurial and share dealing activities, says it would use TCP as a property investment vehicle if the bid is successful.

### CITY LINK CHANGES

Mr. M. A. Fry and Mr. R. J. Thomas have acquired the capital of City Link from Orbit Cargo Services. Bill Mardle, former managing director of City Link, has resigned in order to devote all his time to Orbit in view of its recent growth and to ensure its further development. H. L. Hammond-Seaman has also resigned.

Mr. Fry, deputy chairman and managing director of Electronic Rentals and General Holdings becomes chairman of the new Board of City Link. Mr. Thomas becomes managing director.

### REYNOLDS & BRANSON

Reynolds and Branson, a division of Barclay and Sons, announces the acquisition of the stock and trading activities of Eastern Scientific Instruments, of Norwich. Reynolds and Branson can now offer a complete service for scientific instruments—sales, of a now increased range of scientific instruments, will be backed by a newly formed servicing section to be run from Leodis Works at Leeds.

### CLARK SHOES-JOHN HALLIDAY

C. and J. Clark, the family-controlled shoe manufacturers, is to make an offer for the 38.2 per cent of equity not already owned in John Halliday and Son, Dublin-based concern which makes Clarks and Stedfast shoes. The deal is subject to the negotiation of mutually acceptable terms.

### REED-TWYFORDS

Reed International's offer for the Ordinary shares of Twyfords Holdings has been accepted in respect of 6,863,510 shares (about 73 per cent.). Associates of Reed acquired 250,000 during the course of the offer, in respect of which acceptances have been received.

The offer has been declared unconditional, subject to quotation for the securities of Reed to be issued. It remains open.

Quotation is expected to be granted to-day and it is anticipated that dealings will start on Monday.

## Geo. Clarke expansion

In a deal worth over £400,000, George Clarke (Motors) has expanded into Wales with the acquisition of Nelson Garages (Swansea). Terms, which are subject to contract, are the issue by Clarke of 1.4m. shares, of which 1.2m. would be issued on completion.

The balance will be issued if Nelson reaches its profit target of £100,000 in the year to March 1972. Any shortfall will be reflected in the final number of shares issued.

### TRUSCON "YES"

The Board of Truscon, together with financial advisers Hambros Bank, will recommend the proposed offer of 27p per share in cash by Ionian Bank on behalf of a subsidiary of Ionian Holdings for all the capital. This follows Ionian Bank's acquisition of 1,992,000 (48.8 per cent.) Ordinary of Truscon from Shell Petroleum at 27p per share announced yesterday.

The Board of Truscon were kept fully informed of the Ionian Bank-Shell Petroleum discussions.

### BIRMINGHAM POST

Birmingham Post and Mail has bought a controlling interest in the unquoted company of T. Dillon by purchasing a further 37.6 per cent. of the capital for £473,416 cash. The total holding is now 69.7 per cent.

### BANK BRIDGE

Wilmslow Motors, a newly formed subsidiary of Culvers Car Mart, a Bank Bridge Company, has purchased certain assets liabilities and goodwill of Wilmslow Garages amounting to approximately £50,000, of which £40,000 is represented by tangible assets at book value. Wilmslow Motors will carry on the business of dealers in new and secondhand cars in the Jensen, Aston Martin and Lancia ranges.

### CANNON STREET INVESTMENTS

Permission to deal in and quotation for Cannon Street Investments Ordinary and 9½ per cent Partly Convertible Unsecured Loan stock 1976 has been temporarily suspended pending publication of particulars of reorganisation.

### P. MURRAY JONES

P. Murray Jones, money brokers has acquired the capital of Charles B. Buxton (Brokers), local authority brokers, on the retirement of the principal, Miss E. M. Cowell, from the direction of the day-to-day business of the company.

### ASSOCIATES DEALS

Scott, Goff, Hancock on Wednesday bought 15,000 Reeves at 190p for associates of Heenan Beddow.

Rothschilds announces that R. G. Shaw, an associate of Sime Darby, on Wednesday bought 225,000 Seafield at 61p.

# Far East container tests end

By James McDonald, Shipping Correspondent

THE EXPERIMENTAL container shipments in conventional cargo liners which the Far Eastern Freight Conference and its allied shipping conferences introduced between the Far East and Europe have just ended.

"This trial period has enabled shippers, receivers and the lines themselves to gain valuable experience in the handling of containers before the container services are introduced, area by area, over the next 12 months," a conference spokesman said.

Full container services, with purpose-built containerships, start between Japan and Europe at the end of this year, and they will be followed around the middle of next year with services to Hong Kong and Singapore from Europe.

Until then—when a new container rate tariff will be introduced—lines in the conferences have agreed to allow customers to continue using containers on the conventional cargo ships now in service. This will apply in areas where there is a substantial demand for containers.

The decision has meant amending the current tariff rules to cover these container shipments, said the spokesman, and this has has been done following discussions with various trade bodies.

In effect, under the amended rules, a flat hire charge of US$40 for each container per voyage has been included in the tariff. During the past year's experimental period the shipping lines bore this cost, which partly covers the extra expense of handling contaainers with conventional port and shipping facilities.

# £500,000 roll-on ferry for Sheerness

By Ray Dafter

THE Medway Ports Authority has announced that a roll-on, roll-off ferry terminal for commercial vehicles is to be constructed at Sheerness Docks.

It will be the first facility of its type in the Medway, and in direct competition with the roll-on berths at Dover, in particular.

The terminal, costing less than £500,000, is due to be completed next summer and will be capable of accommodating vessels with either bow or stern doors up to 350 feet long and with a draught of 22 feet.

The statement added that arrangements had been made with Belgian interests to run a daily Ostend-Sheerness service catering almost exclusively for commercial vehicles and trailers.

# Steel levy cut as training improves

Financial Times Reporter

THE Iron and Steel Industry Training Board last year reduced its levy by adopting a new grant system, but at the same time was able to improve training, according to a report issued through the Department of Employment.

Under the new grant system a substantial proportion of grants were held in abeyance and it was only necessary to provide for specific grants, the long-term commitments and the Board's own operating expenses.

It was then possible to reduce the levy per capita from £24.50 to £8. If the previous cost-based grant scheme had been maintained in full it would have required a levy rate of about £30 a head.

*Annual Report, Iron and Steel Industry Training Board, 1970-1971; SO, 25p.*

# Tanker safety guide amended

By James McDonald, Shipping Correspondent

THE International Chamber of Shipping has published a first list of amendments to its Tanker Safety Guide (Petroleum) issued in mid-1970. They are concerned mainly with further precautions thought to be necessary following the explosions in large tankers towards the end of 1969.

The eight amendments include certain recommendations concerning electrostatic generation of incendiary sparks from insulated probes during and after tank-washing. These amendments reflect intensive ICS research into the subject, says the Chamber.

Now that the ICS guide has been established, the U.K. Chamber of Shipping, which has taken a prominent part in the preparation of the guide, will not be reprinting its own tanker safety code, first issued in 1963. "At that time the code was the only document of its kind in the world. It was updated five times and was translated into five languages," said a U.K. Chamber of Shipping spokesman.

Sets of the revised pages of the ICS guide are available from the ICS at 30, St. Mary Axe, London, E.C.3, price £1.

# PREMIUM BOND PRIZES THIS MONTH £3.28M.

The 79,574 Premium Savings Bond prizes to be drawn in October at the Bond Office, Lytham St. Annes, will be worth £3,283,300, bringing the grand total of prizes awarded since 1956 to 7,822,851, valued at £290,695,925. The June, 1971, bonds are going into the draw for the first time.

# BEIRUT 'THREAT OF CONGESTION'

Shipping lines belonging to the Conference of Malta and Alexandria Steamship Companies have warned customers that there is a threat of congestion at the port of Beirut and that unless normal conditions are restored "promptly," a congestion surcharge will have to be imposed.

# TREND OF INDUSTRIAL PROFITS

## ANALYSIS OF 1,896 PUBLIC COMPANIES

The Financial Times gives below its monthly table of company profits and balance-sheet analysis. This covers the results (with the preceding year's comparison in brackets) of 1,896 companies which publicised their reports during the eight months of 1971. The cumulative record of the 1970 series covered the results of 2,694 public companies. (Figures in £'000.)

| INDUSTRY | No. of Cos. | Trading Profits (1) | % change | Profits before Int. & Tax (2) | Pre-Tax Profits (3) | Tax (4) | Earned for Ordinary Dividends (5) | % change | Ord. Dividends (6) | % change | Cash Flow (7) | Net Capital Employed (8) | Net Return on Capital (9) | Net Current Assets (10) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| AIRCRAFT & COMPONENTS | 5 | 42,811 (40,849) | +4.8 | 29,666 (28,913) | 21,643 (23,764) | 8,025 (10,266) | 12,483 (12,320) | +1.3 | 9,647 (9,614) | +0.3 | 15,473 (15,934) | 277,286 (271,376) | 10.7 (10.7) | 130,888 (134,764) |
| BUILDING MATERIALS | 111 | 244,713 (226,467) | +8.1 | 165,056 (148,914) | 132,833 (123,577) | 56,388 (55,701) | 69,525 (60,812) | +14.3 | 48,318 (44,297) | +9.1 | 95,913 (85,403) | 1,325,916 (1,232,892) | 12.4 (12.1) | 276,330 (265,441) |
| CONTRACTING & CONSTRUCTION | 94 | 109,944 (98,997) | +11.1 | 74,301 (66,241) | 59,517 (56,306) | 25,692 (25,804) | 31,734 (28,260) | +12.3 | 15,283 (14,270) | +7.1 | 48,266 (42,180) | 501,451 (421,314) | 14.8 (15.7) | 130,470 (113,882) |
| ELECTRICALS (EX. ELECTRN, ETC.) | 24 | 179,936 (171,616) | +4.8 | 136,297 (129,666) | 103,747 (98,006) | 43,933 (44,951) | 54,160 (46,932) | +15.4 | 30,466 (29,345) | +3.8 | 65,321 (57,485) | 976,831 (952,436) | 14.0 (13.6) | 451,694 (428,176) |
| ENGINEERING | 205 | 307,128 (286,115) | +7.3 | 228,419 (210,984) | 192,870 (182,833) | 86,347 (84,530) | 100,407 (91,650) | +9.6 | 60,538 (61,155) | —1.0 | 107,802 (93,232) | 1,648,497 (1,538,891) | 13.9 (13.7) | 646,761 (610,984) |
| MACHINE TOOLS | 25 | 41,936 (34,406) | +21.9 | 30,064 (24,163) | 23,255 (18,843) | 9,993 (8,153) | 12,238 (8,947) | +36.8 | 7,035 (7,145) | —1.5 | 15,298 (10,497) | 271,982 (249,140) | 11.0 (9.7) | 112,913 (100,736) |
| SHIPBUILDING | 5 | —261 (—2,291) | * | —3,251 (—5,181) | —3,773 (—5,722) | 755 (510) | —3,107 (—5,420) | * | 150 (1,250) | * | —746 (—4,276) | 49,357 (54,193) | * (*) | 4,483 (10,916) |
| MISC. CAPITAL GOODS | 69 | 105,037 (100,554) | +4.5 | 82,333 (79,676) | 69,036 (69,128) | 29,564 (32,707) | 35,155 (31,574) | +11.3 | 21,853 (21,922) | —0.3 | 32,225 (27,458) | 570,215 (526,730) | 14.4 (15.1) | 221,476 (226,778) |
| TOTAL CAPITAL GOODS | 538 | 1,031,244 (956,713) | +7.8 | 742,876 (683,375) | 599,128 (565,735) | 260,697 (262,612) | 312,595 (275,075) | +13.6 | 193,290 (188,998) | +2.3 | 379,353 (326,903) | 5,621,823 (5,246,970) | 13.2 (13.0) | 1,975,018 (1,891,477) |
| ELECTRONICS: RADIO & TV | 23 | 134,047 (110,386) | +21.4 | 77,251 (63,109) | 65,821 (54,169) | 25,625 (22,154) | 38,740 (30,918) | +25.3 | 16,360 (13,879) | +17.9 | 77,704 (63,041) | 425,194 (380,161) | 18.2 (16.6) | 118,453 (118,975) |
| HOUSEHOLD GOODS | 53 | 44,257 (42,636) | +3.8 | 33,023 (31,827) | 29,234 (28,160) | 12,576 (13,144) | 16,017 (14,330) | +11.8 | 10,179 (10,411) | —2.2 | 15,094 (12,723) | 218,763 (211,102) | 15.1 (15.1) | 90,204 (92,660) |
| MOTORS & COMPONENTS | 45 | 249,655 (285,442) | —12.5 | 142,874 (178,977) | 94,514 (143,433) | 47,805 (66,081) | 38,764 (70,093) | —44.7 | 28,590 (45,965) | —37.8 | 118,836 (123,931) | 1,457,203 (1,288,316) | 9.8 (13.9) | 374,670 (391,932) |
| MOTOR DISTRIBUTORS | 41 | 32,201 (24,932) | +29.2 | 23,456 (17,526) | 16,180 (10,996) | 6,844 (5,119) | 8,693 (5,190) | +67.6 | 4,855 (4,113) | +18.0 | 10,672 (6,769) | 182,650 (164,967) | 12.8 (10.6) | 37,156 (29,576) |
| TOTAL CONSUMER DURABLE | 162 | 460,160 (463,396) | —0.7 | 276,584 (291,439) | 205,749 (236,688) | 92,850 (106,498) | 102,214 (120,531) | —15.2 | 59,984 (74,368) | —19.3 | 222,306 (206,464) | 2,283,810 (2,044,546) | 12.1 (14.3) | 620,483 (633,143) |
| BREWERIES | 32 | 240,083 (211,236) | +13.7 | 198,885 (173,556) | 162,148 (140,778) | 67,547 (62,256) | 88,664 (72,788) | +21.8 | 57,786 (52,584) | +9.9 | 68,665 (55,484) | 1,619,842 (1,556,163) | 12.3 (11.2) | 68,695 (67,066) |
| DISTILLERIES & WINES | 8 | 75,236 (71,635) | +5.0 | 67,397 (64,642) | 61,530 (59,154) | 24,346 (25,925) | 36,747 (32,849) | +11.9 | 25,205 (23,869) | +5.6 | 18,568 (15,186) | 418,901 (394,409) | 16.1 (16.4) | 242,702 (204,820) |
| HOTELS & CATERERS | 19 | 55,338 (46,710) | +18.5 | 45,245 (37,985) | 34,110 (30,491) | 13,014 (12,555) | 19,411 (16,302) | +19.1 | 9,853 (9,468) | +4.1 | 18,574 (14,427) | 362,372 (318,790) | 12.5 (11.9) | —27,000 (—19,350) |
| LEISURE | 35 | 38,702 (31,558) | +22.6 | 25,646 (20,151) | 21,562 (17,246) | 8,565 (7,284) | 12,240 (9,079) | +34.8 | 8,139 (7,052) | +15.4 | 15,753 (12,236) | 127,785 (112,146) | 20.1 (18.0) | —6,393 (3,625) |
| FOOD MANUFACTURING | 57 | 348,627 (324,987) | +7.3 | 239,897 (226,136) | 190,938 (184,745) | 86,734 (86,247) | 93,442 (87,694) | +6.6 | 60,856 (62,209) | —2.2 | 134,184 (116,844) | 3,002,878 (1,892,009) | 12.0 (12.0) | 508,490 (478,341) |
| FOOD RETAILING | 36 | 76,228 (69,149) | +10.2 | 56,010 (50,741) | 51,512 (46,542) | 20,922 (21,246) | 29,996 (24,717) | +21.4 | 15,298 (13,909) | +10.0 | 32,361 (26,894) | 311,551 (288,572) | 18.0 (17.6) | 23,060 (31,688) |
| NEWSPAPERS AND PUBLISHING | 44 | 58,066 (62,225) | —6.7 | 42,212 (47,316) | 36,050 (41,114) | 15,792 (18,256) | 16,267 (19,606) | —17.0 | 12,485 (11,654) | +7.1 | 16,505 (19,858) | 275,332 (259,498) | 15.3 (18.2) | 47,478 (57,626) |
| PACKAGING AND PAPER | 38 | 128,991 (122,301) | +5.5 | 85,144 (83,086) | 68,731 (68,494) | 50,066 (31,225) | 34,306 (32,789) | +4.7 | 22,829 (24,308) | —6.1 | 53,288 (45,397) | 725,397 (682,400) | 11.7 (12.2) | 172,021 (176,288) |
| STORES | 66 | 259,474 (233,260) | +11.2 | 221,682 (197,453) | 199,402 (181,086) | 81,483 (81,642) | 115,373 (96,846) | +19.1 | 82,829 (76,996) | +7.6 | 61,766 (46,098) | 1,186,063 (1,132,505) | 18.7 (17.4) | 194,750 (190,838) |
| CLOTHING AND FOOTWEAR | 90 | 43,153 (41,027) | +5.2 | 32,171 (30,496) | 26,620 (25,973) | 11,443 (12,164) | 14,489 (13,132) | +10.3 | 8,862 (8,100) | +9.4 | 13,483 (12,486) | 213,521 (192,851) | 15.1 (15.8) | 77,099 (69,713) |
| TEXTILES | 74 | 184,230 (182,877) | +0.7 | 125,081 (129,608) | 92,873 (101,633) | 39,464 (45,435) | 47,094 (49,822) | —5.5 | 38,442 (38,177) | +0.7 | 63,219 (60,996) | 1,103,157 (1,020,174) | 11.3 (12.7) | 420,627 (378,810) |
| TOBACCO | 5 | 294,993 (250,059) | +18.0 | 260,658 (222,077) | 240,695 (210,183) | 103,608 (94,407) | 124,340 (104,438) | +19.1 | 62,287 (58,508) | +6.5 | 90,568 (69,934) | 1,499,635 (1,331,782) | 17.4 (16.7) | 845,683 (792,748) |
| TOYS AND GAMES | 8 | 5,337 (9,625) | —44.6 | 2,881 (7,201) | 1,950 (6,612) | 1,270 (3,338) | 578 (3,161) | —81.7 | 1,073 (1,371) | —21.7 | 1,716 (3,857) | 37,387 (33,297) | 7.7 (21.6) | 11,905 (10,528) |
| TOTAL CONSUMER NON-DURABLE | 512 | 1,808,458 (1,656,639) | +9.2 | 1,402,849 (1,290,448) | 1,187,121 (1,114,051) | 504,254 (501,970) | 632,947 (563,193) | +12.4 | 405,944 (388,207) | +4.6 | 588,650 (497,697) | 9,883,821 (9,214,596) | 14.2 (14.0) | 2,579,115 (2,442,732) |
| CHEMICALS | 42 | 510,319 (508,802) | +0.3 | 334,237 (343,824) | 275,188 (294,815) | 110,760 (125,980) | 148,890 (152,649) | —2.5 | 101,806 (96,903) | +5.1 | 210,967 (209,151) | 2,637,016 (2,404,513) | 12.7 (14.3) | 651,691 (615,821) |
| OFFICE EQUIPMENT | 17 | 41,568 (37,798) | +10.0 | 30,968 (28,575) | 29,016 (26,994) | 12,479 (11,932) | 16,134 (14,602) | +10.5 | 8,184 (7,679) | +6.6 | 16,492 (14,211) | 151,011 (139,414) | 20.5 (20.5) | 62,353 (59,621) |
| OIL | 10 | 1,117,467 (1,003,585) | +11.3 | 868,088 (772,116) | 806,195 (719,871) | 516,679 (411,984) | 266,317 (282,013) | —5.6 | 178,107 (178,912) | —0.4 | 335,570 (333,320) | 4,973,864 (4,660,803) | 17.5 (16.6) | 901,726 (890,773) |
| SHIPPING | 23 | 116,132 (114,441) | +1.5 | 61,925 (62,219) | 47,425 (51,685) | 9,795 (10,774) | 34,446 (38,999) | —11.7 | 21,739 (19,226) | +13.1 | 65,086 (69,382) | 967,154 (848,610) | 6.4 (7.3) | 82,929 (81,474) |
| INDUSTRIAL HOLDING CO. | 60 | 192,016 (170,421) | +12.7 | 146,720 (129,030) | 120,868 (105,796) | 50,147 (46,454) | 57,974 (44,366) | +30.7 | 34,545 (30,445) | +13.5 | 63,892 (50,704) | 1,044,859 (963,160) | 14.0 (13.4) | 233,503 (215,081) |
| MISC. INDUSTRIAL | 80 | 128,171 (114,390) | +12.0 | 88,716 (78,484) | 77,931 (69,451) | 31,311 (30,392) | 43,230 (35,954) | +20.2 | 24,969 (22,424) | +11.3 | 53,537 (46,908) | 622,110 (566,477) | 14.3 (13.9) | 80,031 (86,867) |
| TOTAL INDUSTRIALS | 1,444 | 5,405,535 (5,026,184) | +7.5 | 3,952,962 (3,679,510) | 3,348,611 (3,186,086) | 1,588,972 (1,508,596) | 1,614,747 (1,527,382) | +6.7 | 1,028,568 (1,007,162) | +2.1 | 1,935,852 (1,753,740) | 28,185,168 (26,089,089) | 14.0 (14.1) | 7,186,946 (6,916,989) |
| BANKS | 5 | 286,497 (249,275) | +14.9 | 249,760 (222,014) | 240,230 (217,259) | 107,726 (102,708) | 126,169 (108,936) | +15.8 | 49,378 (46,016) | +7.3 | 112,697 (88,783) | 1,543,365 (1,363,380) | 16.2 (16.3) | 604,297 (576,482) |
| DISCOUNT HOUSES, MERCHANT BANKS, etc | 30 | 43,071 (34,539) | +24.7 | — (—) | — (—) | — (—) | 27,790 (23,676) | +17.4 | 14,512 (12,822) | +13.2 | — (—) | ‡5,907,410 (‡4,755,331) | — (—) | 197,879 (167,008) |
| HIRE PURCHASE | 8 | 68,250 (59,576) | +14.6 | 59,913 (54,176) | 20,920 (15,422) | 8,622 (6,956) | 11,354 (7,626) | +48.9 | 6,424 (5,067) | +26.8 | 12,440 (7,429) | 352,472 (255,460) | 17.0 (21.2) | 43,929 (65,442) |
| INSURANCE | 24 | 130,609 (101,506) | +28.7 | — (—) | — (—) | — (—) | 95,329 (75,770) | +25.8 | 74,800 (68,147) | +9.3 | — (—) | 7,243,185 (6,702,805) | — (—) | —287,252 (—267,041) |
| INSURANCE BROKERS | 12 | 43,865 (33,947) | +29.2 | 35,129 (27,610) | 25,291 (20,316) | 10,666 (8,724) | 14,194 (11,248) | +26.2 | 7,548 (6,256) | +20.7 | 13,118 (9,237) | 168,810 (138,402) | 20.8 (19.9) | 14,990 (13,068) |
| INVESTMENT TRUSTS | 203 | 146,899 (140,414) | +4.6 | 144,273 (136,942) | 117,580 (111,869) | 8,546 (8,788) | 103,764 (97,832) | +6.1 | 96,714 (92,424) | +4.6 | 6,991 (5,440) | 2,683,700 (2,731,661) | 5.4 (5.0) | 67,230 (47,027) |
| PROPERTY | 60 | 95,306 (86,470) | +10.2 | 92,717 (84,146) | 39,764 (34,278) | 13,235 (12,361) | 25,751 (21,421) | +20.2 | 22,008 (18,147) | +21.3 | 5,156 (4,379) | 1,642,841 (1,342,018) | 5.6 (6.3) | —68,324 (—66,357) |
| MISC. FINANCIAL | 15 | 56,176 (42,913) | +30.9 | 50,255 (38,163) | 31,363 (24,380) | 11,508 (9,257) | 17,871 (13,628) | +31.1 | 10,501 (7,759) | +35.3 | 11,764 (9,544) | 318,154 (247,685) | 15.8 (15.4) | 94,428 (83,796) |
| TOTAL FINANCIAL | 357 | 870,673 (748,640) | +16.3 | 632,047 (563,051) | 475,148 (423,524) | 160,303 (148,804) | 422,222 (360,137) | +17.2 | 281,582 (256,638) | +9.7 | 162,166 (124,812) | †6,709,342 (†6,078,608) | †9.4 (†9.3) | 657,177 (619,425) |
| RUBBERS | 38 | 25,316 (22,142) | +14.3 | 21,968 (19,314) | 21,040 (18,599) | 7,802 (7,380) | 13,126 (11,172) | +17.5 | 10,092 (9,506) | +6.2 | 5,939 (4,118) | 106,235 (104,428) | 20.7 (18.5) | 13,290 (13,848) |
| TEA | 28 | 4,377 (3,019) | +45.0 | 3,376 (2,026) | 2,996 (1,686) | 1,404 (930) | 1,379 (554) | +148.9 | 976 (884) | +10.4 | 1,249 (484) | 54,225 (54,492) | 6.2 (3.7) | 4,328 (4,477) |
| TIN | 7 | 7,364 (6,133) | +20.1 | 6,436 (5,370) | 6,374 (6,313) | 2,270 (2,020) | 3,993 (3,190) | +25.2 | 3,510 (3,168) | +10.8 | 1,246 (635) | 24,313 (23,910) | 26.5 (22.5) | 1,676 (1,292) |
| MISCELLANEOUS MINING | 8 | 168,125 (149,544) | +12.4 | 135,220 (123,984) | 113,651 (108,144) | 38,498 (39,931) | 50,170 (45,099) | +11.2 | 28,461 (25,461) | +7.6 | 53,006 (44,472) | 1,062,886 (842,890) | 12.7 (14.7) | 165,815 (142,862) |
| OTHER RAW MATERIALS | 14 | 18,294 (17,267) | +5.9 | 12,872 (12,331) | 10,323 (10,270) | 4,753 (4,508) | 5,006 (5,148) | —2.8 | 3,523 (3,504) | +0.5 | 6,154 (5,654) | 122,218 (118,936) | 10.5 (10.4) | 15,294 (15,281) |
| TOTAL COMMODITIES | 95 | 223,476 (198,105) | +12.8 | 179,872 (163,025) | 154,384 (144,012) | 54,727 (54,769) | 73,674 (65,163) | +13.1 | 46,562 (43,523) | +7.0 | 67,594 (55,361) | 1,369,875 (1,144,656) | 13.1 (14.2) | 200,403 (178,760) |

## NOTES ON COMPILATION OF THE TABLE

The classification follows closely that of the Institute and Faculty of Actuaries, which has been adopted by the Stock Exchange Daily Official List.

Col. 1 gives trading profits, plus investment and other normal income properly belonging to the financial year covered. The figure is struck before charging depreciation, loan and other interest, directors' emoluments and other items normally shown on the profit and loss account. Excluded are all exceptional or non-recurring items such as, for example, capital profits, unless the latter arise in the ordinary transaction of business.

N.B.—Certain companies, including merchant banks, discount houses, insurance and shipping companies, are exempted from disclosing the full information required under the Companies Act, 1948.

Col. 2 gives profits before interest and taxation, that is to say profits after all charges, except loan and other interest, but before deducting taxation provisions and minority interests. In the case of Banks no figure can be shown because of non-disclosure (see foregoing paragraph).

Col. 3 gives Pre-tax Profits, that is to say profits after all charges including debenture and loan interest but before deducting taxation provision and minority interests.

Col. 4 groups all corporate taxation including Dominion, Colonial and Foreign liability and future tax provisions but excludes adjustments relating to previous years.

Col. 5 gives the net profits accruing on equity capital after meeting—
1 Minority interests.
2 All prior charges—sinking fund payments, etc., and Preference dividends, and
Provisions for staff and employees' pension funds where this is a standard annual charge against net revenue.

Col. 6 sets out the gross cost of dividend on equity capital.

Col. 7 is the capital generated internally over a year's trading. For the purposes of comparison equity earnings plus depreciation less equity dividends, is the recognised method of computing this figure.

Col. 8 constitutes the total net capital employed. This is the total of net fixed assets, trade investments and current assets—excluding intangibles such as goodwill—less current liabilities except bank overdrafts.

‡ For merchant banks and discount houses a more realistic figure to quote is the balance-sheet total.

Col. 9 represents the net return on capital employed. Col. 2 as a percentage of Col. 8 provides an indication of average profitability.

† Excluding merchant banks, discount houses, insurances, etc.

* No figures given as pre-tax profits negative.

Col. 10. Net current assets are arrived at by the subtraction of current liabilities and provision from current assets. It must therefore be regarded mainly as an indication of the volume and the value of industrial activity and is not necessarily a true guide to actual liquid resources.







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Annual Statements—Continued

## B. ELLIOTT & CO. LTD.

### GOOD RESULTS UNDER MOST DIFFICULT CONDITIONS

The Annual General Meeting of B. Elliott & Co. Ltd. was held on 30th September in London, Mr. J. Frye, the Chairman, presiding. The following is an extract from his circulated statement:

For the year ended 31st March, 1971, the profit of the Group before taxation and minorities amounted to £622,400 as compared with £501,500 for the previous year. This profit is after writing off all trading and terminal losses of companies closed during the year, which amounted to £646,100 as compared with £198,600 for the previous year. Of this figure £522,900 related to Cardiff Machine Tools Ltd., the balance being in respect of Centec Machine Tools Ltd., and B. Elliott Incorporated. In addition to these losses home trade orders fell substantially during the latter half of the year as compared with the previous year, and bearing all these facts in mind I consider the results to be good and would like to congratulate and thank my directors and employees on this achievement under such difficult conditions.

The increase of £36,600 in the charge for taxation which relates entirely to overseas tax, and the substantial increase in minority interests, are both due to the higher profits of Goldfields Industrial Corporation Ltd., and as a result of these two factors the net profit for the year has dropped from £150,700 to £90,000.

During the year, with a view to further reducing overheads and improving efficiency, the home companies of the Group were reorganised into four divisions, as follows:—Standard Machine Tool Division, Special Machine Tool Division, Press & Shear Division and General Engineering and Foundry Divisions.

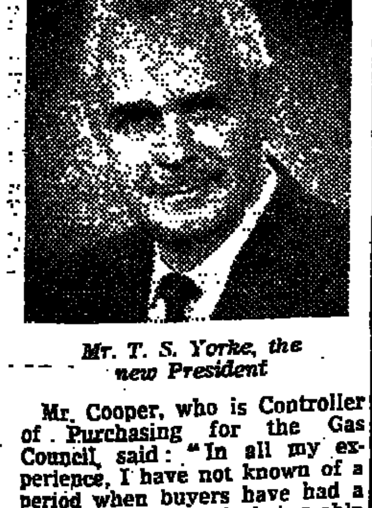
**The future**

The past six months has seen the level of new orders and the outstanding home trade order book for the machine tool industry as a whole drop to the lowest level for 40 years. Although every effort is being made to increase exports we, in common with all other British machine tool manufacturers, face an extremely difficult position due to the very low level of demand in the home market. It is too early yet to judge the effect on capital investment of Mr. Barber's "Mini-Budget" but it is to be hoped that it will result in a rapid improvement in the level of ordering of machine tools in the home market. Only when capital investment is back on a normal basis will we ensure that Britain is to remain a major industrial nation.

We are taking every possible step to reduce overheads and to improve efficiency by rationalisation of product lines and further development of export markets, but unless the hoped for improvement in demand starts to take effect in the very near future our results for the current year are bound to show a reduction. Nevertheless we do consider that much of the action which has been taken will strengthen our Group and we are poised to take advantage of the improvement in trade which must come. Over the last few years there has been a gradual increase in the Group's interests outside the machine tool industry and in the year under review these general engineering interests accounted for some 20% of our turnover.

## INSTITUTE OF PURCHASING AND SUPPLY

"Resisting price increases is the main task, indeed the vital role, of every buyer," was the emphatic statement of the Chairman, Mr. D. F. Cooper, in his report presented at the annual meeting of the Institute of Purchasing and Supply at Harrogate yesterday.



*Mr. T. S. Yorke, the new President*

Mr. Cooper, who is Controller of Purchasing for the Gas Council, said: "In all my experience, I have not known of a period when buyers have had a more difficult time in being able to assess the reasonable level of prices that ought to be negotiated. We have been faced with demands for price increases, at a level unknown ten years ago. We have had presented to us the constant fact of wage awards of Alice in Wonderland proportions. However, I believe that the next twelve months will create the conditions where a properly trained purchasing team can play an extensive part in ensuring a major move to price stabilisation. To-day, the initiative and the monopoly of argument is leaving the sales side of industry. It is now time for the purchasers to counter attack."

The new President, Mr. T. S. Yorke, Director of Purchasing for Smiths Industries Ltd., referred to the ever increasing work of education and training which was carried out by the Institute. With more than a thousand new students registered during the year, the number of younger men and women winning their purchasing Diploma showed a steady increase year by year.

## Vantona LIMITED

### "A Year of Intense Activity"

**World-Famous Names**

Vantona
Everwear
Blansheet
Vanessa
Haworth
Diana Cowpe
Incover
Spero
Wilshire
Supertuft
Rheumanella
Rosemary
Ventile
Axa
Vanity
Marygate
Joyous Morn
Highline
Gaiety
Neslin
Modeluxe
Linen Hire

*Mr. Basil Glass, Chairman, reports*

**PROFITS** of £773,000 against £734,000.

**SALES** of £16.6m were an all-time high, an increase of £2.4m (17%).

**DIVIDEND:** Maintained at 13%

**EXPORTS** increased by 15% to a new record of £1,117,000.

**CAPITAL EXPENDITURE** amounted to £719,000. During current year we shall be spending approximately £650,000.

**CONFIDENCE IN FUTURE:** "We still stand far ahead as the accepted leaders with the best brand names and the most advanced products."

**World-Famous Products**

Woven Bedspreads
Candlewick Bedspreads
Printed Bedspreads
Quilted Bedspreads
Quilts Sheets
Flannelette Sheets
Towels
Printed Terry Towelling
Ready-made Curtains
Sleeping Bags
Handkerchiefs
Dresses
Dressing Gowns
Corduroys
Industrial Fabrics
Yarns
Institutional supplies for Hospitals, Hotels, Shipping Lines
Linen Hire for Hotels, Restaurants, Institutions

| RESULTS AT A GLANCE | 1967 | 1968 | 1969 | 1970 | 1971 |
|---|---|---|---|---|---|
| *Year ended March* | £'000 | £'000 | £'000 | £'000 | £'000 |
| Profit before Tax | 544 | 760 | 826 | 734 | 773 |
| Earned per Ordinary Share in new pence | 4.0 | 4.4 | 4.8 | 3.9 | 4.4 |
| Dividend per Ordinary Share in new pence | 3.0 | 3.1 | 3.2 | 3.2 | 3.2 |
| Dividend per Ordinary Share % | (12.0) | (12.42) | (12.85) | (13.0) | (13.0) |
| Times covered | 1.4 | 1.4 | 1.5 | 1.2 | 1.4 |

*An International Company with 24 United Kingdom Factories and 5 Overseas Factories*

*For the full Report, write to:*
VANTONA HOUSE, ORDSALL LANE, SALFORD M5 3ES.

## WM. PICKLES & CO. LIMITED

*The A.G.M. of William Pickles & Co. Limited was held on September 30 in Manchester, Mr. William Pickles, Chairman, presiding. The following are extracts from his circulated Statement:*

Shareholders will appreciate that the disastrous results of Edward Holme & Co. (1931) Ltd., manufacturers of electrical switchgear and control gear, which have emerged from a complete investigation by accountants seriously shocked your Directors – a loss in excess of £134,000 in 1970 and a loss of over £38,000 should have been recorded in 1969. The monthly management reports provided by Edward Holme's executives to the Parent Company were completely misleading and the executives involved have now left the Company.

Unfortunately we are left with an unprofitable order book which cannot be cleared until the end of 1971 or the early months of 1972. This means we shall incur a loss in 1971 which will be in the order of £150,000. Provision for these losses has been made against reserves in the Parent Company's accounts and strenuous efforts have already been made and will continue to be made to minimise these losses.

If the Group had not suffered this serious setback the overall trading profit would have shown an improvement on the 1969 figures, as the Textile Companies, which form the backbone of your Group, produced profits which would have been in excess of our 1969 results.

**Future Prospects**

The provisional figures for the six months to 30th June, 1971, show that the Textile Companies within the Group have again shown a substantial increase, both in turnover and profit.

It is always difficult when so much hinges on the state of the national economy, to forecast profits six months in advance, but I know that I am not being unduly optimistic when I tell you that the profits of the Textile Companies, based on the information to 30th June this year and before taxation, should be approaching £500,000 by the end of 1971.

We have no alternative but to complete the outstanding order book which exists at the electrical engineers and this will have an adverse effect on Group profits. The final result will, I am sure, show an improvement on the accounts now being presented and when the loss caused by this subsidiary is out of the way I am convinced that the future of your Company will be excellent.

## A.V.P. INDUSTRIES LIMITED

Chairman — Mr. Harold H. Poster

Group profits for the year to 31 March 1971 up by 13.9% to £1,709,233.

Shareholders' funds increased by £1,769,203.

No amount included in accounts for the valuable goodwill of the operating companies.

Dividend of 13% covered over 2½ times by net taxed profit for year.

Trading for first six months of current financial year shows improvement and further profit advance expected in the full year.

Annual General Meeting held on Thursday 30 September 1971.

## Peter Brotherhood Limited

*(Manufacturers of Precision Machinery)*

**The following is the statement by the Chairman, Mr. W. Gardner, circulated with the report and accounts.**

The profit for the year to 31st March, 1971 was £563,415 compared with £902,592 for the year ended 31st March, 1970. In April this year, when declaring the interim dividend of 5%, we announced our intention to recommend a final dividend of 12½% provided that the forecast profit of £550,000 was attained. In the event the forecast has been narrowly exceeded and your Directors have acted in accordance with their interim announcement. The turnover at £5,843,127 is little changed from the previous year (£5,432,629).

Trading conditions have been difficult. Last year I made mention of ever increasing costs of materials and supplies, delays and interruptions in obtaining delivery, high interest rates and high taxation. This state of affairs, together with substantially increased salaries and wages, set the scene so far as our domestic situation was concerned. We suffered considerable disruption to our planned production through late and unpredictable delivery of essential materials and parts. This led to late deliveries to our own customers, delayed improvements in productivity, and caused an unacceptably high carrying of work in progress with consequential heavy borrowings from our Bankers. The result was a very sharp rise in costs. We have taken strong action to control and where possible reduce costs at every point within our influence, to improve the flow of information and to strengthen management at every level. We have called for great efforts and much restraint from all our employees and on behalf of the Board I wish to express our gratitude for the helpful response and co-operation which we have received.

It was with considerable regret that we accepted notice of termination from our partners of the agreement for joint operation of our factory at Sandiacre, an arrangement which had worked harmoniously and satisfactorily for three years. After a careful assessment of relevant factors, including the order position, we decided to close the Sandiacre factory and to concentrate our activities at our main works in Peterborough. Here we believe that careful planning and the introduction of the best modern techniques in design and production will give ample scope for expansion.

Our order book for steam turbines remains very satisfactory and in view of the thoroughly depressed state of the capital goods section of the engineering industry our orders in hand for other products are reasonable. Over 70% of the current orders are for export.

Measures taken in the budget and more recent Government action to reduce taxation and stimulate the economy are all likely to assist us ultimately but it will take some further time before we can expect a significant improvement in activity.

The closure of the Sandiacre factory and the regrettable necessity to declare 175 employees redundant at Peterborough led to the expense of redundancy payments and losses in the disposal of plant and machinery. These matters have been dealt with in the accounts now before you. Your directors have also thought it prudent to make a very substantial reduction in the valuation of freehold land and buildings at Sandiacre, now up for sale. This is a precautionary measure taken in view of the present state of industry and the economy as a whole.

Since the end of the financial year on the 31st March, 1971 we have progressively reduced the value of stores and work in progress and also the bank overdraft, a process to which we attach a very great importance. The results of the current year will benefit accordingly but inflation and the low rate of industrial activity remain with us. Our present aim is to ensure that we are organised, equipped and ready to take full advantage of the improvement when it comes.

It is too early to forecast the result for the year to 31st March, 1972 but this I hope to do when announcing the interim dividend early next year.

*Copies of the full report and accounts may be obtained from the Secretary, Peter Brotherhood Limited, Walton, Peterborough.*

# Redland Limited

## Record pre-tax profits–good start to current year

**The 57th annual general meeting of Redland Limited was held on September 30th in London. The following are extracts from the statement by the Chairman, Lord Beeching, which has been circulated with the Report and Accounts for the year ended March 31st, 1971.**

The year 1970/71 was a much better one for Redland Limited than could reasonably have been expected at the beginning, for, despite the fact that in the United Kingdom the construction market was stagnant and housing starts again declined, our home turnover increased by a quarter and the resulting improvement in profits made a major contribution to the achievement of a record Group profit before tax of £7·17m. (1969/70—£5·19m.). The net profit of £2·49m., attributable to Redland Limited, was two-thirds higher than in 1969/70, although below the previous record level of £2·89m. reached in 1967/68. The improvement in our results at home was attributable to many causes, not least of which was the skill and diligence with which our management and the whole of our staff worked under unsettled conditions. Nevertheless, it must be remarked that we did benefit from an unusually mild winter.

An improvement in profits from overseas was almost entirely accounted for by the elimination of the previous year's loss by Prismo Universal Corporation, in the United States, and, more especially, by further substantial growth of Braas & Co. in Germany. Advances were made in most of the other countries in Europe where Redland tiles are manufactured, and where our direct participation in the profits produced is small.

### Dividend

In recent years, it has been the practice of your Board to recommend a very high level of distribution of profits, matched by a full use of borrowing power to finance expansion. Now that we are emerging from a trough, in which the cover for even reduced dividends was low, we shall adopt a somewhat more conservative distribution policy, and for that reason we recommend a final dividend of 6%, making a total of 12% for the year, compared with 10% last time. Our having done so should certainly not be regarded as indicating lack of confidence in results for the current year, which has started well.

### Roofing Tiles

Our world-wide roofing tile business continued to prosper in nearly all countries. It remained the biggest contributor to the Group's profits, and gave the best return on capital employed. Results in the United Kingdom were good, in spite of the exceptionally low level of housing starts. This was partly due to external factors such as a pronounced swing away from high rise dwellings and a geographically favourable distribution of housing starts in relation to our plants. In addition, however, we raised turnover by increasing our share of the market, benefited from recent concentration of productive capacity, and used the fluidity produced by a prevalent state of cost and price changes to rationalise our price structure and so improve our pattern of sales.

### Bricks

As in the case of roofing tiles, our Brick Division achieved greatly improved results in spite of the low level of housing starts. This was attributable, in part, to the same external influences affecting the pattern of housing which helped the Tile Division, but was also attributable to a better balance between the national production of bricks and the level of demand, to an increase in our share of the market due to our specialised production of the highest quality facing, engineering, and load-bearing bricks, and to an amelioration of the general rise in costs by changes from coal to gas for drying and firing.

### Sand and Gravel

The year was also a good one for this Division, which again increased its turnover and improved its profits, and this was true not only of the Division's main products but also of our ready mixed concrete business and refuse disposal activities.

As a result, the profit of the Division comfortably exceeded the previous record achieved in 1967/68. Now, after several years of stagnation, the demand for concrete aggregates shows signs of increasing again and we are preparing to open new pits.

### Roadstone

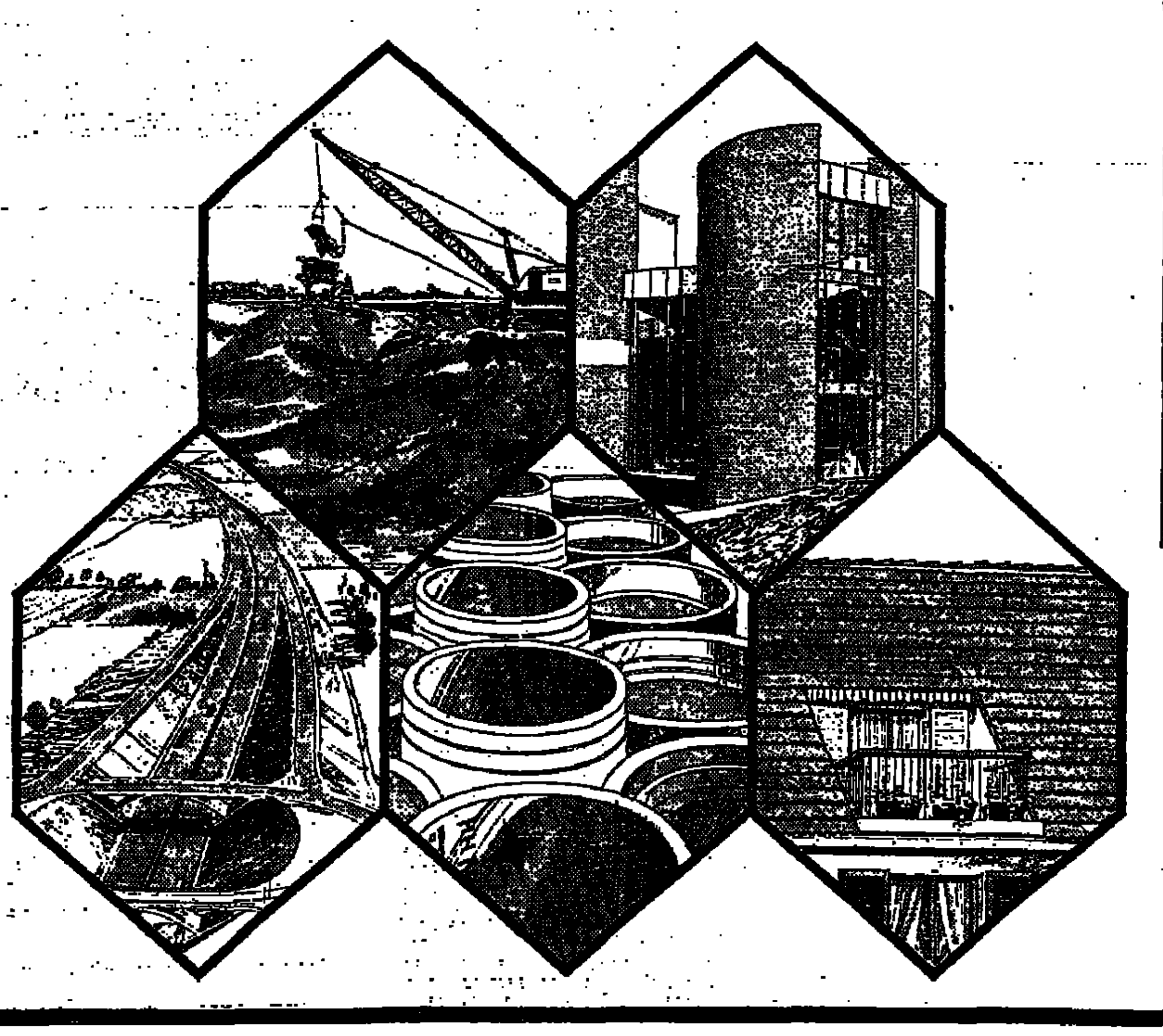
Last year I said that our Roadstone Division had done badly, but that a reorganisation of the business was expected to produce some improvement fairly quickly. This improvement was achieved, and the increase in turnover and profit exceeded our initial expectation. As a result, the position of this Division is now substantially better.

### Road Surfacing

Our two road surfacing companies both achieved output records and profits improved considerably. Our forward position remains good in an activity expected to have a higher growth rate than construction as a whole.

### Pipes

The results of our Pipe Division were disappointing. Somewhat untypically, the concrete pipe market remained fairly static during the year and over capacity in the industry continued unabated.



The Government's programme of public expenditure provides for a rise in the rate of demand for pipes, throughout the 1970's, at least as fast as in past years. We shall be glad to see this expectation realised. In the meanwhile, we are having some success in maintaining margins against the spiral of rising costs without losing turnover.

### Concrete Products

As foreshadowed last year, our production of concrete products has been reduced in variety and concentrated within smaller working areas. The results for 1970 were poor and further steps have yet to be taken.

### Traffic Engineering

Prismo Universal Limited improved its share of the highway marking business in this country and extended the scope of its well established Sprayplastic system by introducing a Mini Sprayplastic machine with immediate success. Further progress was also made in the application of anti-skid surfaces. Overseas, agreements were successfully concluded for the use of Prismo processes in Australia and South America, while direct contract work was carried out in several countries in Europe and in the Middle and Far East.

### Future Development

Last year, I emphasised our need to find products with greater potential for growth in the home market than some of our traditional ones. It is too early to claim any success so far, but encouragingly solid progress has been made. Our capacity to explore and assess opportunities has been markedly improved, and our technical development effort has been increased somewhat, but, more importantly, has been concentrated upon a few projects which promise substantial commercial rewards if success is achieved. It would be premature for me to say more about these developments at the present time, but success in any one of them might add appreciably to our growth potential within what may be regarded, broadly, as our existing field of activities. This prospect, coupled with the continued buoyancy of our established business, enables us to be deliberate in our consideration of possibilities for expansion in fields which are not linked so firmly to the construction industry as our present activities. We are searching, but no choice has been made so far.

The report and accounts were adopted and a resolution increasing the capital of the Company to £13,730,000 was approved.

*Copies of the report are obtainable from The Secretary, Redland House, Reigate, Surrey.*

**Redland**

HOME CONTRACTS

# Tarmac wins £½m. orders

Tarmac Construction has won orders for extensions at Newcastle Upon Tyne Airport and building works for Slough Estates worth a total over £500,000. The airport work is worth £375,000 and should be completed in 41 weeks. The other contract is for a warehouse and a warehouse and office block in Slough.

Mather and Platt has won an order exceeding £400,000 from English Electric-AEI Turbine Generators for pump sets for 2-200 MW turbine generators being supplied to Tsing Yi "B" Power Station, Hong Kong.

Wheeler Crittall Berry (Crown House Group) is to instal Plenum heating at the Ford Motor Company's new assembly building at Eastleigh, Southampton, under a contract worth £380,000.

The Stanton and Staveley Group of the British Steel Corporation's tubes division has received an order worth about £78,000 from the Argyll Water Board for concrete lined ductile spun iron pipes. This is for a project to take water from Loch Eck.

The National Cash Register Company is to supply a £60,000 computer to Le Carbone (G.B.), a subsidiary of Le Carbone of France. The machine will be installed next spring.

Brooke Marine, a subsidiary of Dowsett Holdings, is to build two 50-feet steel life-boats for the Royal National Life-boat Institution at a cost of about £85,000. This order forms part of a greatly expanded construction programme, amounting to about £4m. over the next few years, which was announced by the RNLI last April.

Howard Farrow Construction is to erect 122 dwellings and 56 lock-up garages under a £454,944 contract from the London Borough of Hillingdon. Work is scheduled for completion in July next year. The company has also received a £60,226 order from Alliance Property Holdings for a three-storey office block for its subsidiary, Chiesmans, at Lewisham. The work should be completed in April.

Mowlem has won a £69,000 contract for the construction of a sewer in a cleared area south of Upper Thames Street, London, E.C.4.

# More international flavour for Farnborough air show

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE U.K. aerospace industry is opening its Farnborough air show next September to aerospace manufacturers from nine other Western European countries.

The Society of British Aerospace Companies has decided in principle to invite participation by companies who are members of the Association Internationale des Constructeurs de Materiel Aerospatial (AICMA), in Belgium, Denmark, France, West Germany, Italy, the Netherlands, Spain, Sweden and Switzerland.

These companies will be able to bring in their own products, while countries whose companies are not members of AICMA will be able to show their aircraft products if they are powered by engines, or use a high proportion of equipment, built by an AICMA member-company.

## Fewer all-British

This decision to invite greater participation from Western Europe reflects both the decline in the number of new wholly British products available for display, and the expansion in international co-operative space projects.

These are led by such major programmes as the Anglo-French Concorde supersonic airliner and the Jaguer jet strike-trainer, the U.K.-West German-Italian Multi-Role Combat Aircraft (MRCA), the Franco-German-U.K. A-300B air-bus, helicopters, guided weapons and electronics.

Next year's Farnborough air show will be held from September 4 to 10, with the first four days being for trade guests, and the remaining three for the public.

The much greater European participation in the display will ensure that Farnborough, 1972, will be the biggest of its kind yet staged by the SBAC, although it will not rival the Paris International Air Show (there will be no big U.S. representation at Farnborough).

# Call for big counter-attack on price rises

PURCHASERS can play an extensive part in a major move towards stabilising prices over the next 12 months, the annual conference of the Institute of Purchasing and Supply was told at Harrogate yesterday.

In his annual report, the Institute's retiring president, Mr. Don Cooper, said that it was now time for purchasers to counterattack the "monopoly of argument" previously held by the sales side of industry.

"Every price increase needs to be scrutinised and assessed with a greater vigilence than ever before," he said. The influence of those on the purchasing side of industry can restrain price increases from the suppliers and will also act as a background for industry to be able to hold its prices to provide real value for money."

Mr. Cooper, the purchasing director of the Gas Council, said that in the past 12 months he had never known a more difficult time for buyers to be able to assess the reasonable level of prices that should be negotiated.

They had been faced with demands for price increases at a level unknown ten years ago and been presented with the fact of constant wage awards of "Alice in Wonderland proportions.

"However, I believe that the next 12 months will create the conditions where a properly trained purchasing team can play an extensive part in ensuring a major move to price stabilisation.

# World tanker safety talks to be held in Brighton

MORE THAN 250 representatives of tanker owner companies from 21 countries will attend a three-day conference on tanker safety at Brighton between October 25 and 27.

With the significant developments affecting tankers since the first conference was held in 1967, owners now feel it is timely to review their experience of the nature of the cargoes being carried and of the safety measures for the types of ship now in service, according to a spokesman for the International Chamber of Shipping.

The emphasis will be on safety, and papers will be presented by tanker specialists from the major oil companies, independent owners and from classification societies. The papers will cover navigation, tank cleaning, training, fire prevention, damage control and will also include the safety aspects of the growing numbers of liquid gas and chemical carrying vessels.

## Accent on prevention

The spokesman stressed that the prime concern of the conference would be safe operation of ships and on prevention rather than cure. "It will not, therefore, try to deal with such questions as pollution, salvage and liabilities," he explained.

The conference is being organised under the chairmanship of Lord Geddes, chairman of the Chamber's tanker committee.

# CLYDE FERRY ENDS

Two Clyde ferry services operated their final 1971 service yesterday—axed for economic reasons. The last call at Innellan Pier was made by one of the Maid class ferries, from Craigendoran to Rothesay. Although regular services are ending, calls by excursion steamers will be made next summer.

The Fairlie to Tarbert Loch Fyne service which started in May last year after the Gourock-Loch Fyne service ceased, also ended yesterday, but will resume next summer.

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## Barclays Bank DCO name change

THE CHANGE of name by Barclays Bank DCO, announced in August, takes effect to-day. The bank is now called Barclays Bank International.

Sir Frederic Seebohm, the chairman of International, explained yesterday that the change represented the first stage of plans to integrate the foreign side of Barclays Bank with Barclays International.

Another change which takes effect to-day is transferring to a wholly-owned subsidiary of International of DCO's business in South Africa and South West Africa. The new subsidiary is named Barclays National Bank. Similarly, Barclays Bank of Zambia, a subsidiary of International, has to-day taken over DCO business in Zambia.

With the change of name a reorganisation of the bank's top management has taken place and the following appointments have been made: Mr. S. G. Mogford to be senior general manager; Mr. G. W. Lambert to be general manager (treasurer); Mr. W. Duncan and Mr. K. J. Ball to be general managers; and Mr. E. W. Bithel and Mr. B. F. D. Daniels to be deputy general managers. Mr. J. P. G. Wathen, Mr. R. J. Crankshaw and Mr. F. Pilling remain general managers but the posts of divisional general managers have been discontinued.

Mr. F. R. Dolling has been made local director of Barclays Bank International's branches in Swaziland, Botswana and Lesotho, areas not incorporated in the setting up of Barclays National Bank.

## VW dealers meet for 1972 briefing

MORE than 700 U.K. Volkswagen dealers meet in London to-day for the annual convention, where they will be told of plans for Volkswagen (GB) in 1972.

A computerised business management system, the new model range and plans for advertising will be explained to the dealers.

Dr. Carl Hahn, a director of the Volkswagenwerk AG, will also address the convention.

**APPOINTMENTS**

# Mr. A. A. Brown becomes Fairey Engineering chief executive

Mr. Alastair A. Brown has been appointed managing director of FAIREY ENGINEERING, the Fairey Group's major engineering subsidiary. Mr. John A. Henderson also joins the Board as commercial director.

The new managing director joins the engineering concern from Kollsman Instrument where he was managing director from 1961 to June this year. Mr. Henderson was previously with Rolls-Royce where he had a number of executive positions.

★

Mr. John Townsend has been appointed an executive director of the WHITEHEAD CONSULTING GROUP of management consultants.

★

Following its acquisition by Cavenham, a new managing director has been appointed at BOVRIL. He is Mr. J. Greenhalgh, a director of Cavenham.

Mr. Greenhalgh, whose appointment is regarded as an interim measure, succeeds Mr. S. W. Stephens who was, in any case, to retire from active business on December 31. Mr. Stephens will remain a director of Bovril until the end of the year.

Mr. M. L. Haynes, has been appointed a joint deputy managing director of Bovril. Both he and Mr. Greenhalgh will retain their responsibilities as Cavenham executives. Mr. J. A. D. Harwood remains deputy managing director.

Sir James Pitman and Lord Tweedsmuir have resigned as directors of Bovril and Mr. Michael Haynes and Mr. Brian Callaway, both directors of Cavenham have been appointed to the Board.

★

Mr. J. Lindsay Alexander has taken over the chairmanship of the OCEAN STEAM SHIP COMPANY from Sir John Nicholson, who has retired but continues as a non-executive member of the Board. Mr. H. B. Chrimes is now deputy chairman. Details of the changes were reported on June 8.

★

TUBE INVESTMENTS has formed an interior building products division within its subsidiary, Metal Sections. Mr. W. E. J. Jarvis, previously production director of Metal Sections' general roll-forming and motor division, has been appointed director and general manager of the new division.

★

Mr. E. S. Deakin, joint managing director of the MANSFIELD BREWERY COMPANY, has retired after 43 years with the company. Mr. A. J. Scruby is now sole managing director. Mr. P. A. Baker has been appointed brewing director.

★

Mr. George Walker, formerly head of corporate planning and acquisition research at Spillers, will join JOSEPH SEBAG AND CO., stockbrokers, on November 1, as head of the firm's research department. Mr. Walker is a member of the economic committee of the Confederation of British Industry and of the Society of Business Economists.

Mr. George Walker

★

Mr. Alan Burnes has been appointed by Morris Wigram Rosenthal, private bankers, to be manager of the money market department at its City office. Mr. Burnes is a former managing director of the Banque de Paris et des Pays Bas.

★

Mr. Alastair Simpson has been appointed managing director of PIMM'S succeeding Mr. Jack Finney, who has retired after 54 years with the company. The parent concern is Distillers.

★

Mr. Richard C. Malyon has joined the Board of WEBSTERS PUBLICATIONS. He is the managing director of Websters Books.

★

Mr. K. F. S. Corley, chairman and managing director of Joseph Lucas (Industries), and Mr. P. A. Matthews, managing director of Vickers, have been elected vice-presidents of the ENGINEERING EMPLOYERS' FEDERATION.

★

Mr. P. C. Methley and Mr. B. H. Westcott have been appointed directors of BRAY GIBB WRIGHTSON, a member of the Matthews Wrightson Holdings group.

★

Mr. P. A. Armstrong and Mr. R. D. Ellson have been appointed assistant directors of the aviation division of C. T. BOWRING AND CO. (INSURANCE).

★

Mr. J. E. Timms has resigned as a director and company secretary of ADEPTON and the CONSOLIDATED SIGNAL COMPANY because of ill health. He has been succeeded as secretary of both companies by Mr. A. C. Hamilton, who remains secretary of Williams Hudson.

★

Mr. T. A. Egan, group general manager, abrasives, has been elected a director of the CARBORUNDUM COMPANY and appointed deputy managing director.

★

Mr. John Bellwood, commercial manager of ROSEDALE INDUSTRIES, has been appointed to the Board as commercial director.

★

Imperial Chemical Industries and Boulton and Paul have fromed a joint company, BICIP, to promote a glass-reinforced plastic window-frame developed by ICI Building Development Group. The holdings are split 51 to 49 in ICI's favour.

Mr. J. A. de Norman, chief executive, ICI Building Group, is chairman of the new company and Mr. R. L. M. Mackie, of Boulton and Paul, is deputy chairman. The other directors are Mr. J. A. C. Burnand, Mr. K. J. Brimley and Mr. P. S. Raine of ICI, and Mr. E. J. W. Adams and Mr. B. Hatch of Boulton and Paul.

★

Mr. L. St. J. Devlin, and Mr. M. J. O'Keefe, have joined the Board of the ROHAN GROUP.

★

Mr. Tao Shing Pee has been appointed a non-executive director of JARDINE WAUGH, the South East Asian subsidiary of Jardine, Matheson and Co. Mr. Tao has been associated with the group for a number of years.

★

Mr. D. P. Doneti has been appointed chairman, Mr. B. M. Waters, managing director, and Mr. Leonard Press a director of H. CLARKSON (HOME), insurance brokers.

★

Mr. Jeremy Pemberton, who has retired from his directorship of Baring Brothers and Co. has resigned from the executive committee of the ISSUING HOUSES ASSOCIATION. Mr. R. L. Payton, who is also a managing director of Baring Brothers, has been co-opted by the executive committee to fill the vacancy.

★

Mr. Alan E. Gray has been appointed marketing director of BONDINA VILENE, BONDINA INDUSTRIAL and VILEDA.

★

Mr. J. Aaronson and Mr. D. W. Jayson have been appointed directors of BRIDGEND INVESTMENT TRUST.

★

Mr. K. A. King has joined the Board of TERRAPIN LIMITED and Mr. R. E. Franklin has become an additional director of TERRAPIN HIRE. The companies are members of the Terrapin International group.

★

Mr. R. W. James has been appointed marketing director of LODGE-COTTRELL and of BUELL, members of the Simon Engineering group.

★

Mr. J. W. G. Easson, financial controller of CLARK SON AND MORLAND, has been appointed a director.

★

Mr. D. L. Pollock has resigned from the Board of PEARSON LONGMAN.

★

Mr. R. Hughes has been appointed managing director of DUNLOP NORDAC, a new Woodall-Duckham Group subsidiary. Other executive directors are Mr. S. Clough (deputy managing) and Mr. F. C. Wilks (marketing).

The company has been formed by a merger between Nordac, the Woodall-Duckham rubber lining specialists, and Dunlop Chemline Services, the linings division of Dunlop. Mr. Hughes was previously responsible for the operation of Dunlop Chemline Services.

★

Mr. G. T. Pryce has been appointed managing director of DALGETY U.K. He joined the company in September last year from the Forte organisation.

★

Mr. Sid Taylor has been appointed group managing director of G. STIBBE AND CO. and its management company, Stibbe-Monk.

Mr. John Whitehead becomes chief executive of the sales division of Stibbe-Hadden and Mr. Frank Marvin becomes chief executive of that company's manufacturing division.

Mr. Roger Duffey has joined the board of Stibbe-Monk as group technical director.

Mr. J. S. Dunn, a main board director has left the group.

★

Mr. D. J. Mann, a director of UNILEVER and Unilever N.V., and member of Unilever overseas committee, has retired after 38 years with the organisation. He has been a member of the parent Boards since 1960.

## New management structure for Nationwide

THE NATIONWIDE BUILDING SOCIETY—Britain's third largest with assets of £771m.—to-day adopts a new management structure. Four functional divisions are being created, each headed by a general manager.

Mr. Cyril English heads the Operations division, Mr. George Rogerson (Market Planning), Mr. Bryan Bushell (Administration) and Mr. Brian Phillips (Finance).

Mr. Leonard Williams, who remains chief executive with the title of chief general manager, said the new structure was being introduced in consultation with McKinsey and Co., who were continuing to work with the Society on a number of further tasks. The timing of the changes, he pointed out, corresponded with the new era of competition among financial institutions.

# Blackwood Morton & Sons (HOLDINGS) LIMITED

## Improved profitability expected

*The Annual General Meeting of Blackwood Morton & Sons (Holdings) Limited will be held on 25th October 1971 in Kilmarnock. The following is the Statement by the Chairman, Mr. Kenneth M. Hamilton, circulated with the report and accounts:*

**Results**

The overall trading profit of the U.K. companies was similar to that for the previous year, but the Canadian subsidiary suffered a reduction in trading profit of £62,587. Group pre-tax profits were affected by increased interest charges with the result that there was a reduction for the year from £553,606 to £494,754. Turnover was up by over 5% due to higher prices of woven carpets and improved sales of tufted carpets and felts, offset to some extent by a reduction overseas.

The profit after taxation and including tax credits not applicable to the year is £365,259, having benefited from high tax allowances on capital expenditure and a credit from the previous year resulting from a reduction in the rate of Corporation Tax. A final dividend of 7½% is recommended making, with the interim of 5%, a total distribution of 12½% and this would leave £115,259 to be added to reserve.

**Blackwood, Morton & Sons Ltd.**

**Woven Carpets** Despite a year of rising unemployment, our home sales were well maintained and there continued to be a strong demand for multi-coloured Axminster carpets in the domestic market. Here, we again benefited from the success of our designers in anticipating the requirements of the public.

Last year, reference was made to substantial increases in wages rates and this trend has continued. In addition, prices of wool, jute, cotton, rayon and nylon all advanced and the combination of these rising costs with higher charges for rates, freight and most overheads, made it essential that our selling prices should be raised, and this was done on 31st May.

**Spinning** In Kilmarnock our pile yarn spinning mill did not work at full capacity, but it is hoped that demand will increase from now on and enable us to obtain the maximum benefits from the modernisation completed last year.

The civil war in Pakistan following disastrous floods caused serious delays in shipments of raw jute and for a short time, production of jute yarn was drastically reduced in order to conserve supplies of raw material. Purchases had to be made locally at inflated prices and, although shipments have now been resumed, raw jute prices are higher than at this time last year. It is hoped that adequate supplies will now be forthcoming, but there will be an anxious period before there is a return to more settled conditions. In spite of the difficulties, the return on capital employed in jute spinning continued to be satisfactory.

**Underfelts** There was a substantial improvement in sales of underfelts and, now that our new plant is in full production, there is every reason for optimism for the future.

**Thistletex Carpets Ltd.**

There was an increase in turnover of over 50% and a profit for the year of £57,414 before tax, after providing for substantial expenditure on development and sampling of new qualities in the second half of the year. With the introduction of these qualities a further increase in turnover during the current year is anticipated and, to keep pace with our rising production, the sales force has been expanded. A new tufting machine imported from the U.S.A. is producing long pile patterned carpeting of a type not previously made in the U.K. Our policy of concentration on service and first class merchandise is proving most successful and we now have a firm base from which to expand.

**Blackwood, Morton & Sons (Canada) Ltd.**

The result was again disappointing and demand in Canada for carpets remained at a low level. At the beginning of the current financial year, there were indications of an improvement but it is too early to say whether this will be maintained in view of the possible adverse effects of the recent financial crisis in the U.S.A.

**Cooke Sons & Co. (Hillington) Ltd.**

Increased prices for towels were insufficient to meet rising costs and a small loss was incurred. The reduction in purchase tax and other reflationary measures should result in improved demand and a return to profitability.

**Exports**

Increased prices and more difficult economic conditions in some of our best export markets affected our sales and resulted in reduced production of Wilton carpeting. In particular there was a falling off in demand from Australia, Denmark and South Africa, but some improvement in West Germany, Holland and Austria.

**Common Market**

If entry into the Common Market results in a more stable economy in this country and greater growth, there should be substantial long term benefits for British carpet manufacturers. At the same time there will be greater competition at home, in the other E.F.T.A. countries and in markets such as Australia, Canada and South Africa where we shall lose the advantage of preferential tariffs. In the E.E.C. countries, there are great opportunities for increasing sales of carpets. To take advantage of the expanded duty free market, substantial investment in new buildings and plant will be required, but before any decision is reached regarding location, a thorough investigation will have to be made to ensure that costs of production in Scotland are low enough to offset the disadvantage of being so far away from the main European markets. Transport charges are a very important part of the cost of carpeting, particularly of the cheaper qualities, and speedy delivery will be as important in Europe as at home.

**Capital Expenditure**

There was a drastic reduction compared with the previous year and expenditure will continue to be restricted until bank borrowings have been substantially reduced. Authorised expenditure at 30th June 1971 includes £83,150 for a new warehouse and showroom in Cardiff. The warehouse and showroom previously owned and occupied by us in the centre of Cardiff were in an area scheduled for redevelopment and have now been sold to Cardiff Corporation at a profit on cost of £72,307 This sum after provision for tax, has been credited to Capital Reserve. The new warehouse will be more suitable for our requirements and there will be better car parking facilities.

In the near future, we shall have to extend our Kilmarnock warehouse for finished goods and land adjacent to our existing building has been purchased for this purpose. It also seems certain that more wide Axminster looms and tufting plant will be required to meet the anticipated increase in demand for our products. It is intended to continue our policy of financing our expansion out of retained profits and depreciation provisions, but a return to the system of Investment Grants for expenditure on plant in development areas, would be of great assistance.

**Prospects**

The reduction in purchase tax and the removal of hire purchase restrictions should be of great benefit in the current year and should be reflected by an improvement in profitability. It is hoped that the advantages will not be offset by excessive demands for increased wages and higher costs for materials and overheads.

BMK

# Watney Mann to exchange houses with Courage

BY DAVID WALKER

COURAGE AND Watney Man are to undertake a major exchange of public houses to strengthen the operations of both brewers in areas where their respective coverage is at present comparatively weak.

Each group will be transferring properties with an annual turnover of around £1.5m. Watney Mann is to take over 68 Courage houses in the Bristol area, while Courage will obtain 43 Watney outlets in Norwich, 17 in Northampton, and 25 in Brighton. No cash adjustments is involved.

The deal is the result of several months' negotiation between the two groups. It "stems from the wish of both companies to widen the choice available to the public in areas where a large proportion of licensed premises is now owned by one company," they stated yesterday.

The physical changeover of the pubs is to begin early next year, and should be completed by the end of March.

## Concentration

The bove comes 30 months after the Monopolies Commission drew attention tothe fact that some areas had a high concentration of public house ownership by one brewer.

The Commission's report led both to the establishment of the Government-backed independent committee to review the licensing laws and a request from the Department of Trade and Industry to the Brewer's Society for details of any areas where one brewer had a virtual monopoly.

The DTI also called for proposals from the industry for widening the choice available to the public in such areas.

Nonetheless, Courage stressed yesterday, no Government pressure had been put on the industry for changes. The group pointed out that the Monopolies Commission had only stated a fact, without commenting on it. The Watney Mann deal was a completely voluntary move.

At the end of last year Courage was involved in a similar deal with Truman Hanbury and Buxton involving properties worth £2m. Under that, Courage extended its tied outlets further north, while Truman decided to concentrate on southern England only.

The acquisition of the Watney Mann houses leaves the West Midlands, a strongpoint of Bass Charrington and Allied Breweries, as the only area where Courage is not particularly well represented.

For Watney Mann, the move is its first pub-swapping deal, although the group did buy some Scottish outlets from Whitbread earlier this year under a straight cash arrangement. The company's weakest area so far as tied outlets are concerned is now the North East.

● Watney Mann also announced yesterday plans to increase sales through its 350 tenanted off-licences in London and the Home Counties.

## Group trading

A voluntary group trading scheme is being introduced, a planned programme of promotional offers run, and an own-label brand of cigars launched.

Tenants who join the voluntary group will trade under the name Bottle and Basket. If successful, the company stated, the group's operations could be extended to take in its 200 other tenanted off-liecnces, most of which are in the Manchester area. The 375 managed houses owned by Watney Mann in the London area will not be involved.

The aim, Watney Mann stated, was "to combat mounting competition from off-licences and pruice-cutting by chain stores." Promotions, the first of which is due to start in mid-November, would be supported by point-of-sale material, merchandising advice, and local leaflet campaigns.

# London Brick building new £1.6m. works

LONDON Brick Company is to build a further new works at Whittlesey, Peterborough. The plant will be similar to the new Kings Dyke Works at Whittlesey, and will have an eventual capacity of 2.4m. bricks a week. It will cost approximately £1.6m. and provide employment for 150 men.

Construction of the plant is starting immediately and is in two stages. The first stage will come on stream in 12 months with the second stage being completed in 1973.

The company has taken full acount of the importance of environmental considerations by siting the new works at the base of the existing Saxon Works clay pits, some 70 feet below ground level. The kilns will incorporate the latest recommendations of the Alkali Inspector and the two chimneys, both 300 feet in height, will be the tallest in the Peterborough area.

# New orders for DC-10 'tri-jet'

By Michael Donne, Aerospace Correspondent

FURTHER ORDERS for the *McDonnell* Douglas DC-10 "tri-jet" airliner were announced yesterday by two airlines, one in the U.S. and one in Europe.

Western Airlines said in Los Angeles that it would buy four DC-10 Series 10 aircraft, costing aroun \$85m., for delivery in 1973. The aircraft were formely on option on American Airlines, with whom Western is planning to merge. Western will take the aircraft if this merger is not effected.

Scandinavian Airlines System announced that it would buy two DC-10 Series 30 long-range intercontinental tri-jets, and would continue with an option on six more. Delivery of the two aircraft would be not later than 1976.

The SAS aircraft will be worth about \$20m. each including spares. With this order, SAS purchases of all types of Douglas aircraft over the yast 25 years comes to over \$500m.

# Year-round hovercraft service

AN ALL-YEAR-ROUND car and passenger-carrying hovercraft service between Dover and Calais starts to-day with a scheduled crossing time of 30 minutes, making it the fastest cross-Channel ferry route.

It will be operated by British Rail's Seaspeed hovercraft and there will be up to six flights daily in each direction during peak months. The service should appeal to motorists travelling to and from Northern France, Belgium, Holland, Germany and Scandinavia.

# VAAL REEFS EXPLORATION AND MINING COMPANY LIMITED

*(Incorporated in the Republic of South Africa)*

**CIRCULAR TO MEMBERS**

**Completion of merger arrangements and proposed offer of shares to members to raise R35 000 000**

**SANCTIONING OF SCHEME OF ARRANGEMENT**

On 11th August, 1971, a circular was posted to members of this company, together with a copy of the Explanatory Statement and Scheme of Arrangement giving details of proposals regarding the acquisition by this company of the entire issued share capital of Western Reefs Exploration and Development Company Limited ("Western Reefs") on the basis that holders of shares in Western Reefs would receive one share in Vaal Reefs for every two shares in Western Reefs held by them on 17th September, 1971.

The Scheme of Arrangement was approved by members of Western Reefs at the Court meeting of that company held on 3rd September, 1971, and an Order sanctioning the Scheme of Arrangement was granted by the Court on 14th September, 1971 and delivered to the Registrar of Companies for registration on 20th September, 1971.

At the extraordinary general meeting of members of this company held on 3rd September, 1971, the authorised capital was increased from R5 250 000 to R9 500 000 by the creation of 8 500 000 new shares of 50 cents each. Of these new shares 3 500 000 shares were allotted on 20th September, 1971 in terms of the Scheme of Arrangement to members of Western Reefs registered in the books of that company at close of business on 17th September, 1971. Share certificates in respect of new Vaal Reefs shares due to members on *the Johannesburg register* are now available to such members at the offices of the Johannesburg transfer secretaries of Western Reefs against surrender of the old Western Reefs certificates. Share certificates in respect of new Vaal Reefs shares due to members on the United Kingdom register will be posted to such members on 1st October, 1971. Cheques in payment of the proceeds from the sale of fractions of Vaal Reefs shares accruing to members of Western Reefs in terms of the proposals will be posted from the offices of the transfer secretaries in Johannesburg and the United Kingdom on 4th October, 1971.

As announced in the press on 16th September, 1971, the Committees of the Johannesburg and Rhodesian Stock Exchanges granted primary listings for the additional 3 500 000 Vaal Reefs shares with effect from 20th September, 1971, from which date such shares were also quoted on The Stock Exchange, London. Dealings in the new shares on Johannesburg Stock Exchange up to and including 1st October are for settlement in account No. 40.

The authorised capital of the company, as indicated above, is now R9 500 000 in 19 000 000 shares of 50 cents each. Following the allotment of the 3 500 000 shares to members of Western Reefs, the issued capital is now R7 000 000 in 14 000 000 shares of 50 cents each, fully paid. In terms of an ordinary resolution passed at the extraordinary general meeting held on 3rd September, 1971, the balance of 5 000 000 shares is under the control of the directors and will be used for the purposes of the proposed rights issue to which reference was made in the circular to members dated 11th August, 1971.

**RIGHTS ISSUE**

As stated in the circular to members of Vaal Reefs dated 11th August, 1971 and in the Explanatory Statement addressed to members of Western Reefs, Vaal Reefs requires to raise about R35 million to finance its operations both north and south of the Vaal River. About half this sum will be required to replace the loan funds which would otherwise have been provided by Southvaal Holdings to finance the latter company's share of the after-tax cost of the Vaal Reefs South No. 1 shaft system. Of the balance of the funds raised by the rights issue, part will be used in financing the completion of the Vaal Reefs South No. 1 shaft system, including the repayment of temporary borrowings from Anglo American Corporation of South Africa, Limited which at 31st August, 1971 amounted to R13 724 000. The rest of the rights issue proceeds will be directed towards the establishment of Vaal Reefs No. 5 shaft in the north lease area, preliminary work on which has already started.

It is accordingly intended to offer members of this company registered at the close of business on 15th October, 1971 the right to subscribe for all or part of the unissued capital (amounting in total to 5 000 000 shares of 50 cents each on terms which will be announced in the press on Wednesday, 13th October, 1971.

Renounceable letters of allocation will be posted on 22nd October, 1971 to members registered on 15th October, 1971. **The offer will open on 22nd October, 1971 and will close on 5th November, 1971 at 3 p.m.**

Members will appreciate that, because of the present unsettled international monetary situation, the directors consider it wise to delay the determination and announcement of the precise terms of the offer, and also the conditions under which subscriptions will be accepted from members residing outside the Republic of South Africa, until the latest possible date. In order to facilitate the acceptance of the offer and the lodgement of subscriptions by persons in the Republic outside of Johannesburg and in South West Africa, arrangements are being made for subscriptions to be accepted at centres in Cape Town, Port Elizabeth, Durban and Windhoek up to 3 p.m. on 5th November, 1971. These centres are as follows:—

Union Acceptances Limited,
Rhodes Buildings,
150 St. Georges Street (P.O. Box 1677),
Cape Town.

Union Acceptances Limited,
421 Albany House West,
Esplanade (P.O. Box 2916),
Durban.

Union Acceptances Limited,
14th Floor, Union Acceptances House,
166 Main Street (P.O. Box 1196),
Port Elizabeth.

Keller and Neuhaus Trust Company (Proprietary) Limited,
Kaiser Street (P.O. Box 156),
Windhoek.

Details of the arrangements which are being made for the underwriting of this offer will be contained in the announcement to appear on 13th October, 1971.

The head office and United Kingdom transfer registers and registers of members of the Company will be closed for the purposes of the offer from 16th October to 22nd October, 1971, both days inclusive. Members who do not wish to subscribe for the new shares to which they will become entitled may renounce their rights and full instructions regarding the acceptance or renunciation of rights will be included in the letters of allocation. Letters of allocation may be split as follows:—

NIL PAID —UP TO AND INCLUDING 3rd NOVEMBER, 1971,

FULLY PAID—IN JOHANNESBURG, UP TO AND INCLUDING 15th DECEMBER, 1971;

—IN THE UNITED KINGDOM UP TO AND INCLUDING 16th DECEMBER, 1971.

Shareholders who are non-residents of the Republic of South Africa or South West Africa are advised that blocked rand may be used in subscription for the shares to which they will be entitled. Blocked rand may also be used to purchase renounced nil paid letters of allocation, but may not be used to subscribe for the shares arising from such letters.

Letters of allocation completed and lodged, together with payment of subscription moneys in full, in terms of such letters on or before 5th November, 1971, will be endorsed "fully paid" and returned to subscribers by post. These documents will then be renounceable for a further period up to and including 20th *December, 1971. Share certificates will be posted to allottees, or in* accordance with their disposal instructions, on 10th January, 1972.

Application will be made to the Committees of the Johannesburg and Rhodesian Stock Exchanges, in respect of the shares to be offered, for a primary listing for the "nil paid" and "fully paid" letters of allocation and subsequently for the shares. Application will also be made to the Council of The Stock Exchange, London, for permission to deal in and for quotation for the shares.

It is anticipated that dealings in the new shares on The Stock Exchange, London, from 18th October, 1971 will be for special settlement on 26th October and thereafter will be for normal settlement. The last day for dealing nil paid will be 5th November, 1971.

**GENERAL INFORMATION**

1. No part of the Company's reserve capital is under option to any person and, except as stated herein, no commissions, discounts, brokerages or other special terms have been granted since 31st December, 1970, the date to which the last published, audited accounts of the Company were made up, in connection with the issue or sale of any capital of the Company or its wholly-owned subsidiary, Western Reefs. Apart from the 3 500 000 shares to be issued, credited as fully paid, to the members of Western Reefs, referred to above, no part of the capital of the company has, since 31st December, 1970, been issued for cash or otherwise than in cash.

2. As at 31st August, 1971 Vaal Reefs had drawn R18 081 000 from Southvaal Holdings Limited in terms of the loan agreement with that company, of which R13 800 000 will be repaid following the receipt by Vaal Reefs of the proceeds of this rights issue. At 31st August, 1971 there was an outstanding balance of R2 328 000 on Vaal Reefs' interest-free loan from the Atomic Energy Board. In addition, Vaal Reefs had at that date drawn R13 724 000 against loan facilities of R13 750 000 granted to it by Anglo American Corporation of South Africa, Limited, which expire on 12th November, 1971.

There are no other loans made or agreed to be made to Vaal Reefs, and the company has issued no debentures or debenture stock, and has not created any mortgages, charges, hire-purchase commitments or guarantees or other material contingent liabilities (other than those disclosed in the Explanatory Statement), nor has it any bank overdraft or similar indebtedness. The company has no litigation or claims of material importance pending or threatened against it.

3. The directors consider that, on receipt of the proceeds of the rights issue, the Company will have sufficient working capital for its present requirements.

4. No person is, according to the records of Vaal Reefs, interested in more than ten per cent. of the share capital of Vaal Reefs.

5. Apart from the underwriting agreement which is in course of negotiation, copies of which will be available for inspection at the Johannesburg and London offices of the company from 20th October, 1971 to 5th November, 1971, the company has entered into no material contracts since the date of the Explanatory Statement.

6. There are no service contracts in respect of the directors. Details of the directors' interests were given in Appendix IIIa of the Explanatory Statement dated 11th August, 1971, copies of which are obtainable from the transfer secretaries of the company in Johannesburg and the United Kingdom, and there have been no changes in these interests since that date. The interests of the directors in the underwriters will be given in the announcement to be made on 13th October, 1971.

7. It is estimated that the expenses connected with the proposed issue of shares to members, exclusive of underwriting commission payable, will be approximately R30 000.

By order of the Board,

*For and on behalf of*
ANGLO AMERICAN CORPORATION
OF SOUTH AFRICA, LIMITED
*London Secretaries*
E. BURROWS

LONDON OFFICE
40 Holborn Viaduct, London EC1P 1AJ.

TRANSFER SECRETARIES
Charter Consolidated Limited,
Kent House,
Station Road,
Ashford, Kent.

Consolidated Share Registrars Limited,
62 Marshall Street,
Johannesburg.
(P.O. Box 61051, Marshalltown, Transvaal).

*30th September, 1971.*

## BUSINESSES FOR SALE

### SALE OF U.S. BOOK OPERATION

A leading American company wishes to discuss with interested parties the sale of part or whole of its control in a fully-owned U.S. based book company. The company, which is profitable and growing, publishes a range of technical and management books which are *widely known throughout the U.S. and overseas. This is* an operation that would be of special interest to European publishing companies interested in gaining a foothold in the American book market for further expansion. Principals of companies interested should write to the President. Box No. B.6023. Financial Times, 10, Cannon Street, EC4P 4BY.

### PRINTING COMPANY FOR SALE

Point of sale and general printing company in Home Counties for sale. Turnover about £150,000 p.a. Currently making losses but capable of making handsome profits.
Studio and factory both fully equipped for colour work in letterpress and litho with Composing Room and bindery. Considerable goodwill attached to company which is long established with a good reputation. Write Box B.6025, Financial Times, 10, Cannon Street, EC4P 4BY.

### RETAIL BOOKSHOP, LONDON WEST END

A bookshop, mostly paperback, in a high income residential part of the West End but with a profitable and rapidly growing order business with commercial concerns and institutions. This well located shop has ample selling, storage and office space, and the benefit of an eight-year lease at a reasonable rent.

Write Box B.6022, Financial Times, 10, Cannon Street, EC4P 4BY.

### FOR SALE
### Aluminium Casting Company

Aluminium pressure die casting operation. Modern plant comprising 5 hydraulic cold chamber machines. Range 100-400 tons with associated bale out furnaces and bulk melting tilting furnace. Current order book and stocks. Premises required by owners for alternative use.
*Offers invited Write Box B.5964, Financial Times, 10, Cannon Street, EC4P 4BY.*

### EFFICIENT SMALL SHOPFITTING COMPANY

Good management structure. Net profits approx. £17,000. Write Box B.6030, Financial Times, 10, Cannon Street, EC4P 4BY

### FOR SALE

small offset printing works complete —2 Multilith 1250's, Heidelberg SORD and KORA, Wülhenberg Programmatic Guillotine, Pictorial Machinery Camera, etc. Some items on lease. 21-year lease for premises. For full particulars apply Box B.6031, Financial Times, 10, Cannon Street, EC4P 4BY.

### ESTATE AGENCY FOR SALE

established in luxurious offices, available on Lease, in prestige area with easy access to Midlands Motorway Network. Write Box B.6040, Financial Times, 10, Cannon Street, EC4P 4BY.

### TAX LOSS MOTOR CO.

for Sale, Trading, Home Counties. Principals only. Write Box B.6037, Financial Times, 10, Cannon Street, EC4P 4BY

### 100% SHAREHOLDING IN PRINTING BUSINESS

G.P. £10,000 for 1970. £18,000. Write Box B.6041, Financial Times, 10, Cannon Street, EC4P 4BY

### FOR SALE
London based
### SMALL SECURITY COMPANY

for sale. Good number of installations and contracts. Well organised. Reasonable price to be negotiated. Please reply fully to Box B.6038, Financial Times, 10, Cannon Street, EC4P 4BY.

### INVESTMENT

Ladies Hairdressers West London. Nett Profit £5,000 p.a. Eighteen months lease. £2,500 for quick sale. Write Box B.6042, Financial Times, 10, Cannon Street, EC4P 4BY.

### EMPLOYMENT AGENCY

with five branches in Home Counties. Established seven years with excellent growth record. For sale outright. Principals only write Box B.5968, Financial Times, 10, Cannon Street, EC4P 4BY.

### LIGHT ENGINEERS—DEVON

Modern Works, 10,000 sq. ft. with automated plant, etc. Turning, Toolmaking & Die Casting. T.O £61,000 p.a. should double in 2 years. At approx. Net Value of Assets £18,000.

CHRISTIE & CO.
For Company & Business Sales.
32 Baker St., London, W1M 2BU. 01-486 4231 (12 lines).

### F. A. HUMBERSTONE AND PARTNERS
WEST COUNTRY HOTELS GUEST HOUSES FREE HOUSES RESTAURANTS TEA ROOMS
125 Pembroke Road Bristol 8 tel 38462

### WANTED TO PURCHASE

By small group wishing to diversify. Small established undercapitalised company of Wholesale and General merchants. Write Box B.6026, Financial Times, 10, Cannon Street, EC4P 4BY.

ESTABLISHED WEST END Supermarket for Sale offering potential, in superb order. Largely residential locality, Baker Street area. Offers in excess of £25,000 invited for Goodwill, Fixtures and Fittings, 21 year lease (£5,250 per annum), and Stock at Valuation. Particulars from: D. W. Grey, A.C.A., 2 Nottingham Street, London, W.1. Telephone 01-935 2718.

N. CORNWALL, near Newquay, Existing Holiday Village with Swimming Pool, Shop, Licensed Bar, Ballroom and Planning Permission for 146 Chalets. Existing Accommodation comprises 123 caravans all included in the sale. 17 chalets only are built at present. Main water, elect. and drainage. Audited Accounts available. Price £125,000 Freehold. Apply Donald I. Weekes, F.R.I.C.S., Auctioneer and Estate Agent, 3 Market Place, St. Columb, Cornwall. Tel. St. Columb 525/571.

### CONTRACT DRAWING OFFICE
Est. 1959

Fully staffed well equipped offices for sale, situated S.W. London, handling established contracts providing currently £160 + p.w. clear profit. Write Box B.6027, Financial Times, 10, Cannon Street, EC4P 4BY.

RED ISLAND HOLIDAY CAMP, Skerries, Co. Dublin, for sale as a going concern complete with all fixtures, fittings, stock and equipment. Immense development potential. Magnificent marine location, 18 miles from Dublin, convenient Airport. Full details, accounts and arrangements to view from Murphy, Buckley and Keogh, Estate Agents, 31, South Anne Street, Dublin, 2. Tel. 771555.

### PRINTING BUSINESS FOR SALE

Busy South Midlands town, 30 miles from London. Turnover £68,000. Gross profit £24,000. Price would include property. Write Box B.6028, Financial Times, 10, Cannon Street, EC4P 4BY.

TAX LOSS Motor Accessory Company (Wholesale and Retail) competitively priced for quick sale. Write Box B.6044, Financial Times, 10, Cannon Street, EC4P 4BY.

WIMPY STYLE BAR, Newly constructed Romford, Prime position. Turnover exceeding £40,000 p.a., 96 seats. Price including all fixtures and fittings £16,000. Telephone 01-508 8211.

## HOTELS FOR SALE

### TOM PARRY & CO.

Chartered Surveyors, Auctioneers & Estate Agents.
30 High Street, Portmadoc
Will offer
The only Free Fully Licensed Residential Hotel on the Sea Front known as

### THE WEST END HOTEL PWLLHELI, NORTH WALES

This imposing building briefly contains: Loggia, Lounge, T.V. Room; Dining Room for 90. Three fully Licensed Bars, Bal: room, together with 42 Letting Bedrooms plus Managers' Flat; Staff Flat, Lock-up Shop; Extensive Garage accomm., Yard, etc.

FOR SALE by PUBLIC AUCTION on the premises on TUESDAY, 12th OCTOBER 1971 at 3 p.m.
(subject to conditions and to it remaining unsold)
with Vacant Possession on Completion S.A.V.

Further particulars and Sale Brochure from the Auctioneers. Tel. Portmadoc 2505 or from the Solicitors: Wright, Hassall & Co., 9, Clarendon Place, Leamington Spa

### HOTEL SOUTHERN IRELAND
Fully Licensed

60 bedroom en suite. Just built to highest specification and standard. Decorated, but unfurnished. Own private grounds facing sea and mountains. Three bars, banqueting room 250 persons, ballroom 1,000 persons adjoining. Ideal for conferences or socials. Swimming pool, heated, 20 metre sauna room, tennis courts, many extras. Car park, 120 cars. Central heating throughout. Health reasons for selling, genuine. Most magnificent scenery. Ample room for expansion. No fees. Price £165,000, a sacrifice. Freehold Every assistance given to new owner. Write Box B.6029, Financial Times, 10, Cannon Street, EC4P 4BY.

## PERSONAL

### THE CASE AGAINST ENTRY

This 38-page rebuttal of the Government's case on the Common Market is available at cost of postage only. Send 3½p stamp with name and address to:
NEW STATESMAN
Great Turnstile, WC1V 7HJ

BLAST FURNACES, STOVES, STEEL FURNACES CHIMNEYS
TATTERSALL & WATSON LTD.
MIDDLESBROUGH
STAFF 200 MEN.

BOARD ROOM CATERING—2 or 3 contracts up to 30-odd lunches sought by a life time catering manager. Contractors need not apply. Enquiries welcomed to Box B.5965, Financial Times, 10, Cannon Street, EC4P 4BY.

OLD FURNITURE and effects purchased, bookcases, chests, chairs, cabinets, etc. paintings, objects of decoration. Haverstock Gallery, 93, Haverstock Hill, Hampstead, N.W.3. 01-722 7089.

## COMPANY NOTICES

GOLD FIELDS GROUP
NEW WITWATERSRAND GOLD EXPLORATION COMPANY, LIMITED
(Incorporated in the Republic of South Africa)

NOTICE IS HEREBY GIVEN that the REGISTER OF MEMBERS will be CLOSED from 13th to 20th October, 1971, both days inclusive, for the purpose of the Annual General Meeting.
By Order of the Board,
L. J. LITTLE,
London Secretary.
LONDON OFFICE:
49, Moorgate, EC2R 6BQ.
30th September, 1971.

## PLANT AND MACHINERY

LANSING BAGNALL P.F. 15/T. Fork Lift Truck for sale. £800 o.n.o. Tel. 01-928 2033.

## BUSINESSES WANTED

### FINANCE COMPANY

is interested in purchasing other companies engaged in residential development. Would also consider 100% financing schemes on participation basis.

Write in confidence to
Managing Director.
Box B.5972, Financial Times, 10, Cannon Street, EC4P 4BY

### PUBLIC PROPERTY COMPANY

is interested in acquiring residential, commercial and industrial development schemes, and investments or shares of other property companies.
Write Box B.5971, Financial Times, 10, Cannon Street, EC4P 4BY

### THE GILMOUR & DEAN GROUP

wish to acquire high class colour printers, carton makers or continuous stationery firms situated in England but outwith the Immediate London area. The current level of turnover should be not less than £400,000 and present management may be retained. Apply in writing to the Chairman, GILMOUR & DEAN LTD., BOTHWELL ROAD, HAMILTON, ML3 0DT.

### ENGINEERING CONTRACTING BUSINESS ELECTRICAL AND/OR MECHANICAL

REQUIRED BY EXPANDING DIVISION OF PUBLIC GROUP
- INDUSTRIAL EMPHASIS
- MECHANICAL SERVICES AND MACHINERY MOVEMENT—ELECTRICAL INSTALLATION AND DESIGN
- NORTH WEST AND/OR MIDLANDS AREAS
- MINIMUM NETT PROFIT £20,000
- EXISTING MANAGEMENT TO REMAIN.

Details in confidence to:
PRIDIE, BREWSTER & GOLD,
Ref. DJRP/EJH.
2/3, WARWICK COURT,
GRAYS INN, LONDON, W.C.1.

### PRINTING COMPANY WANTED

for substantial overseas inquirer. Should be suitable for production of Business Forms.

Reply in confidence to
Colebrook, Evans & McKenzie
Valuers and Business Brokers to
*the Printing Industry*, at
5 Quality Court, Chancery Lane,
London WC2A 1HP. 01-242 1362

### PRE 1967 LIFE ASSURANCE COMPANY Wanted by Major International Finance Organisation

Principals only—please apply in strictest confidence to Box No. B.5999, Financial Times, 10, Cannon Street, EC4P 4BY

### ENGINEERING SERVICE COMPANIES WANTED

Public Company wishes to purchase Service Companies, i.e. engaged in metal stockholding, cleaning services, engineering maintenance and installation. Write in the strictest confidence to the Chairman, Box B.5803, Financial Times, 10, Cannon Street, EC4P 4BY.

### FOOD MANUFACTURERS WISH TO PURCHASE MODERN PORK FACTORY

as a going concern, handling a minimum of 1,500 pigs per week, within a radius of 80 miles of Birmingham. Write Box B.6039, Financial Times, 10, Cannon Street, EC4P 4BY.

### £250,000

Cash available for takeover/participation in a U.K. registered company with investment/interest in India.
Write Box B.6036, Financial Times, 10, Cannon Street, EC4P 4BY.

### WANTED

Commercial firm interested in buying existing travel agency in London area or immediate suburbs. Retention of existing management envisaged. All replies in strict confidence. Write Box B.6034, Financial Times, 10, Cannon Street, EC4P 4BY.

### WANTED FOR CASH

controlling interest in London area company. Minimum investment. £100,000.
Write Box B.6035, Financial Times, 10, Cannon Street, EC4P 4BY

### WANTED

Young hotelier wishes to purchase licensed Inn or Hotel, 8-15 bedrooms preferably in or near market town in Southern England. Write Box B.6032, Financial Times, 10, Cannon Street, EC4P 4BY.

### BOATYARD REQUIRED

Any size considered, provided slipway capacity suitable for 120 ft. vessels. Availability of local labour experienced in yacht work essential. No Agents. Reply to Box B.6024, Financial Times, 10, Cannon Street, EC4P 4BY.

### ENGINEERING COMPANIES REQUIRED

Expanding Public Company based in the Midlands wishes to acquire companies making annual profits in excess of £50,000 per annum, subject only to tax. For those who wish to amalgamate and yet still control their own business this is an opportunity to discuss the matter in strictest confidence with the Chairman. Write Box B.5809, Financial Times, 10, Cannon Street, EC4P 4BY.

ELECTRONICS COMPANY seeks to acquire printed circuit board manufacturing business in S.E. England. Principals only. Write Box B.6043, Financial Times, 10, Cannon Street, EC4P 4BY.

## COMPANY NOTICES

AFRICAN EXPLOSIVES AND CHEMICAL INDUSTRIES LIMITED
(Incorporated in the Republic of South Africa)
DECLARATION OF ORDINARY DIVIDEND NO. 74

NOTICE IS HEREBY GIVEN that an interim Dividend of 5% (equal to 5 cents per share) in respect of the year ending 31st December 1971 has been declared payable to holders of Ordinary Shares registered in the books of the Company at the close of business on 5th November 1971.

The dividend is declared in the currency of the Republic of South Africa. Warrants in payment will be posted from the Head Office of Consolidated Share Registrars Limited, 62 Marshall Street, Johannesburg, on or about 14th December 1971.

Changes of address or dividend instructions to apply to this dividend must be received not later than 3rd December 1971.

In terms of the Republic of South Africa Income Tax Act 1962 (as amended) dividends payable to persons not ordinarily resident nor carrying on business in the Republic of South Africa or to companies not registered nor carrying on business in the Republic are subject to deduction in respect of non-resident shareholders' tax at the rate of 13.327%.

The Transfer Books and Register of Members will be closed from 6th November 1971 to 19th November 1971 both days inclusive.

By Order of the Board,
J. S. M. ORFORD, Secretary.
40 Fox Street, Johannesburg.
Transfer Secretaries:
Consolidated Share Registrars Limited,
62 Marshall Street, Johannesburg.
1st October 1971

FRONTIER TRUST
Société Anonyme
Luxembourg, 14, rue Aldringer

NOTICE IS HEREBY GIVEN to shareholders that an Extra-ordinary General Meeting of the above-named Company will be held at 3.00 p.m. on Monday 11th October 1971 at 14 rue Aldringer, Luxembourg for the purpose of changing the name of the Company from "FRONTIER TRUST" to "BFF TRUST, S.A."

Shareholders are advised that the quorum required at the Meeting in order for valid decisions to be taken is the holders present in person or by proxy of at least 50 per cent. of the shares of Frontier Trust in issue. In the event that a quorum is not present or if the Board of Directors so resolves for other reasons, a second Meeting, at which there will be no quorum requirement, may be convened by further notice. In such event, voting on all items on the above Agenda will be adjourned to the second meeting.

In accordance with the Luxembourg law, the Resolution to be proposed at the Extra-ordinary General Meeting and at any second Meeting will require the concurrence of two-thirds of the total number of shares represented at the Meeting, provided that, at any second Meeting, shares not represented at the Meeting (up to a maximum of one-third of the total number of shares in issue) will be deemed to vote in favour of the proposed Resolution, and in that case the Resolution will require the concurrence of a majority of the shares represented at the Meeting.

Holders of bearer shares may vote at the Meeting in person by producing at the Meeting either their share certificates or a certificate of deposit which will be issued to them against deposit of their share certificates with one of Frontier Trust's paying agents.

Holders of bearer shares may vote at the Meeting by proxy by completing the form of proxy which will be made available to them against deposit of their share certificates as aforesaid.

Share certificates so deposited will be retained until the Meeting or any adjournment thereof has been concluded. Frontier Trust's paying agents are Banque Générale du Luxembourg, 14 rue Aldringer, Luxembourg, and Barclays Bank Limited, 54 Lombard Street, London, E.C.3. In order to be valid all forms of proxy must reach the registered office of Frontier Trust not later than 12 noon on 11th October 1971.

For and on behalf of
FRONTIER TRUST
The Board of Directors.

LEADERFLUSH (DOORS) LIMITED

NOTICE IS HEREBY GIVEN that the Ordinary Share Register of the Company will be CLOSED on Tuesday, 19th October, 1971 for that day only for the preparation of Dividend Warrants payable on 1st November, 1971.
By Order of the Board,
N. W. HALFNIGHT, F.C.I.S.,
Secretary.

## BUSINESS OPPORTUNITIES

### PRIVATE BANK

required by public quoted finance and investment company which currently has very substantial liquid assets.

Purchase consideration could be in shares and or cash together with directorships.

*Write in strictest confidence with full details to:*
Managing Director, Box B.5975, Financial Times, 10, Cannon Street, EC4P 4BY.

ARE YOU SHORT OF CAPITAL? We have up to £100,000 for investment in any sound business with good profit potential.—Write Box B.6007, Financial Times, 10, Cannon Street, EC4P 4BY.

EXPANDING INTO THE COMMON MARKET? International organisation in Switzerland and Italy assists in all phases of financial, legal and marketing problems. Director visiting England shortly—Write Box B.6048, Financial Times, 10, Cannon Street, EC4P 4BY.

GOLDEN KITCHEN. Golden Opportunity latest Trends Take Away Foods. Total investment £7,500. Capital required £2,500. Brochure and details Golden Kitchen Sales Office, York House, Bond St, Bristol BS1 3PQ. Tel. 422168.

INDUSTRIAL CATERING company sought by hotel company—minimum of 25-30 contracts — management can remain. Preferred area the North, Midlands, South West and South Wales. Write Box B.6802, Financial Times, 10, Cannon Street, EC4P 4BY.

LICENCES AVAILABLE for manufacturing dozens of different products processes ... [illegible]

NEW Products wanted for California and U.S.A. distribution. American Marketing Systems, 21, Queen Street, Blackpool. Tel. 0253-27614.

PARTNER REQUIRED to extend marketing of amazing new patented product. Good return. Ring 01-969 4405.

PRINTING. We guarantee to cut your present costs. Brochures, leaflets, stationery, magazines, tabloid newspapers (2 hrs. London). Western Web Offset, 86, Horwell Rd., Bristol. Tel. Bristol 28573.

PROFESSIONAL M.D. with financial backing seeks to buy part or all of the equity of a manufacturing company, and to take over the management. Likely to interest owner-manager approaching retirement, or group wishing to dispose of subsidiary. Turnover not exceeding £500,000, location London and/or West Midlands. Write Box B.6017, Financial Times, 10, Cannon Street, EC4P 4BY.

BUSINESS OPPORTUNITIES ALSO APPEAR ON PAGE 22

# 'Marine premiums will go on rising'

By James McDonald, Shipping Correspondent

WITH SHIP repair costs continuing to rise and little evidence of a slackening in the inflationary rise in costs in the near future, premiums charged by marine underwriters could be expected to continue to increase, said Mr. S. J. Charlton, chairman of the Institute of London Underwriters, in London yesterday.

In the 18 months from the beginning of 1970 to the end of last June, added Mr. Charlton, ship repair costs had risen by about 25 per cent. in Britain and by 31 per cent. in Japan. On the evidence of ship repair costs in the first half of this year he saw no sign of any easing in the rate of rising costs.

Mr. Charlton, speaking at a Press lunch organised by the British Insurance Association, stressed that the insurance industry was not creating an inflationary situation, only reacting to one.

On the question of the level of profits which underwriters—in to-day's conditions of high interest rates—should expect he said: "We would like to see a true underwriting profit on premium income of between 5 and 10 per cent., which we are not receiving at the moment." This, he stressed, was distinct from investment income.

Mr. P. R. Dugdale, manager and chief underwriter of the Guardian Royal Exchange Assurance, commented on the growing concentration of risks in the marine market. He instanced the possibility of two large container ships, each insured with cargo for between U.S.$40-50m., colliding and sinking.

# No profit hopes this year for Freightliners

By Ray Dafter

MR. DAVID COBBETT, assistant managing director of Freightliners, said yesterday that the economic recession had put an end to prospects of a profit this year.

As a result the company expected to make a profit for the first time in 1972. Last year it lost £840,000, compared with a £2.24m. deficit in 1969.

Commenting at the Interfreight '71 exhibition at Earls Court, Mr. Cobbett said that at present Freightliners operated about 200 container trains a night—about half its capacity — between 25 terminals.

He expected to reach capacity by 1975 or 1976 although, in the meantime, there might be need for pruning uneconomic operations, such as very short journeys.

Mr. Cobbett said there had been no big capital spending programme planned this year and there would be little spending in 1972. The next big capital programme would probably come in 1973 when more terminals would be added. "About £25m. has been put into this container service and we now want to see some return," he added.

# Two more quit Life Offices' Association

Financial Times Reporter

TWO MORE companies, London and Edinburgh Life Insurance and National Employers' Life Assurance, have left the Life Offices' Association, the life assurance industry's central trade association.

The departure of these two small companies follows the withdrawal earlier this year of Equity and Law Life, one of the industry's leaders.

The reasons are similar. Equity and Law pulled out following its decision not to abide by the association's agreed rules on commission payments to agents. These prohibit members from paying initial commission in advance of the due date of the related premium.

The companies which have pulled out feel this rule prevents them from exercising discrimination in the use of agents, and for the smaller and ambitious life company may inhibit their growth, particularly against growing competition from non-LOA members.

# Health service committee for the TUC

REPRESENTATIVES of ten unions and two federations of unions met yesterday at Congress House, London, and formed the TUC Health Services Committee.

Each of the ten unions has appointed members to the committee; the TUC General Council has appointed four members and both the federations have observer members.

Miss Audrey Prime, national officer of the National and Local Government Officers' Association, and a TUC General Council member, was elected chairman.

The new committee is the fifth industrial committee to be set up within the TUC structure, the others being in steel, construction, transport and local government.

In addition to advising the TUC on health service questions, the new committee will be able to deal with problems of trade union organisation and collective bargaining in the health service, and take action on other matters of common interest to the unions in the service.

# INTERIM STATEMENTS

## 1970—1971 Interim Report

No. 3. 13th February—31st May 1971 and

## Annual Results

IDV

## Record worldwide sales.

The Directors of IDV announce that the value of the Group Sales, on the same basis as previously reported, for the third period to 31st May 1971 amounted to £33,198,000, compared with £31,806,000 for the third period of 1970, an increase of 4%.

Unaudited Group Profits for the same period before tax, after gross-minority interests but before Extra-ordinary Items, amounted to £2,181,000 compared with £2,180,000 for the third period of 1970.

**Year's Results**

Group Sales for the year to 31st May 1971 amounted to £118,284,000, compared with £106,317,000 for 1970, an increase of 11%, and Group Profits before tax, but after gross minority interests, to £7,636,000, compared with £7,564,000 for 1970.

Group Profits, taxation and net minority interests compared with the previous year are as below:—

| | 1971 £ | 1970 £ |
|---|---|---|
| Profit before taxation and minority interests | 7,660,000 | 7,589,000 |
| Taxation | 3,376,000 | 3,387,000 |
| Group Profit after taxation and before Extra-ordinary Items | 4,284,000 | 4,202,000 |
| Deduct proportion of profits less losses attributable to interests of outside shareholders | 8,000 | 18,000 |
| Profit attributable to IDV before providing for Extra-ordinary Items | 4,276,000 | 4,184,000 |

The Extra-ordinary Items referred to above are exchange differences on foreign currency borrowings, £173,000; special development expenditure written off, £155,000; UK marketing and distribution reorganisation expenses (net of tax), £70,000; provision for overseas past service pensions (net of tax), £179,000. There were no comparable items in 1970.

**Final Dividend**

An interim dividend of 4% less income tax at 38·75p in the £1 was paid on the 6th August 1971, and the Directors propose recommending a final dividend of 8%, payable in January 1972, to repeat last year's total of 12% for the year.

Dividends of 12% on the £26,022,000 Issued Ordinary Capital and 6% on the Preference Capital will absorb £3,172,000 (gross) of the profits after tax.

**Prospects**

The first fruits of our programme of rationalisation within the home market are beginning to be reflected in an improvement within this sector.

Our Overseas Subsidiaries continue to show steady progress, and our worldwide shipments of Scotch Whisky continue to climb. On present evidence, and on the advice of our American agents, the temporary surcharge upon imports entering the USA is not thought likely to impede the performance of our whisky brands shipped to that market.

Copies of this Interim Report may be obtained from the Company Secretary.

**INTERNATIONAL DISTILLERS AND VINTNERS LIMITED**

1 York Gate, Regent's Park, London, NW1 4PU.

## RMC Ready Mixed Concrete Limited

**INTERIM STATEMENT—SIX MONTHS TO 30th JUNE, 1971**

In the six months under review the profit before taxation of £3,421,771 (1970 £1,990,546) has been achieved after depreciation and depletion charges of £6,077,813 (1970 £4,374,522). Earnings have increased significantly over the corresponding period in the previous year, rising from 1.6p to 2.5p per share.

Improved trading conditions in the United Kingdom and a mild winter generally have contributed to the better result. A higher level of turnover has been attained particularly on the continent of Europe where we are endeavouring to increase our share of the ready mixed concrete market.

A good start has been made to the second half of 1971 and your Directors are confident that profits in the six months ending 31st December, 1971 will be well in excess of those for the corresponding period last year.

The Board has decided to increase the interim dividend of 9.25% to 10.25% for the six months to 30th June, 1971.

W. R. Northcott—Chairman

| Unaudited Consolidated Results | 6 months to 30.6.71 £000's | 6 months to 30.6.70 £000's | Year to 31.12.70 £000's |
|---|---|---|---|
| Group turnover | 97,622 | 65,607 | 164,826 |
| Operating surplus before depreciation and depletion | 10,932 | 7,198 | 18,832 |
| Depreciation and depletion of land | 6,078 | 4,375 | 10,190 |
| Operating profit | 4,854 | 2,823 | 8,642 |
| Profit on disposals of properties | 149 | 139 | 878 |
| Share of losses less profits of associated companies | 92 | 52 | 118 |
| Group interest | 1,489 | 919 | 2,320 |
| Profit before taxation | 3,422 | 1,991 | 7,082 |
| Taxation | 1,549 | 908 | 2,820 |
| Outside shareholders' interests in subsidiaries | 373 | 197 | 1,072 |
| Profit before extraordinary items | 1,500 | 886 | 3,190 |
| Extraordinary items | 22 | 126 | 28 |
| Profit for the period | 1,522 | 1,012 | 3,218 |
| Earnings per share | 2.5p | 1.6p | 5.7p |
| Dividends. Rate % | 10.25% | 9.25% | 19.5% |
| Dividends. Gross cost | 1,536 | 1,302 | 2,744 |

*Copies of the full interim report may be obtained from the Secretary, RMC House, High St., Feltham, Middx.*

# Need for sports facilities—Griffiths

MR. ELDON Griffiths, Parliamentary Under-Secretary of State at the Department of the Environment, yesterday called on local authorities and nationalised industries to make their sports facilities available to the general public.

He told a conference of the Recreational Managers Association at Loughborough University that three major changes were taking place on the contemporary British sports scene.

There was a switch from watching to playing and participating—especially marked among women and middle-aged men. There was a shift towards sports that were more demanding on time, space and money, such as golf, sailing and horse riding, and the home market for sport was being extended to Europe.

He urged all concerned with providing sports facilities to get away from the idea that it was enough to provide a recreation ground with two or three pitches and a tennis court. The need was for multi-purpose all-weather surfaces with floodlighting to enable sports to be played after dark, and for more indoor facilities, especially integrated sports halls, combining under one roof a wide range of recreational and social facilities.

## Barclay Securities Limited

**INTERIM RESULTS 1971**

**RECORD HALF-YEAR FIGURES**

**PROFITS INCREASE OF 163%**

*The unaudited profits of the Company for the six months ended 30 June 1971 were as follows :—*

| | 1971 £ | 1970 £ |
|---|---|---|
| Profits before taxation | 815,317 | 310,000 |
| Taxation | 333,600 | 139,500 |
| Minority Interests | 9,300 | 2,300 |
| Attributable profits after taxation | £472,417 | £168,200 |

*Extracts from the Statement by Mr. John Bentley Chairman :—*

Your Directors have declared an Interim Dividend of 15%, a 20% increase over that of the previous year (1970—12½%), and intend to recommend a final dividend of not less than 35%, making a total of not less than 50% for 1971.

Once again, these are record figures with all three divisions showing record sales, margins and profits. Recent acquisitions have been successfully integrated and new acquisitions are being investigated. With no additions to the equity capital this year through acquisition, your Company is heading towards another successful year in which internally generated earnings and assets will again rise substantially.

The potential of all three divisions is as great as it has ever been. New opportunities in these areas present themselves at an increasing rate and your Company has ample resources to take advantage of these opportunities.

32, Curzon Street, London W.1. 30th September 1971.

## RAND MINES PROPERTIES LIMITED

(Incorporated in the Republic of South Africa)

**INTERIM REPORT FOR THE SIX MONTHS ENDED 30th JUNE, 1971.**

As the Group's income does not accrue evenly throughout the year and property development is of a long term nature, your directors emphasise that the results for any period of six months can be misleading in assessing the Group's future prospects, particularly if considered in isolation and without regard to the overall context. At this stage in the Company's life, expropriations and sales of undeveloped land to the authorities continue to represent an important but irregular source of Group profits. Until building and township developments make a greater regular contribution to the recurring profit base, the Group's annual profit after taxation will be susceptible to significant fluctuations.

The unaudited results of the Company and its subsidiaries (all of which are wholly-owned) for the six months ended 30th June, 1971 and the comparative figures for the corresponding previous periods are :—

| HALF YEAR ENDED | 30.6.1971 (Amount to nearest R1 000) | Cents per Share | 30.6.1970 (Amount to nearest R1 000) | Cents per Share | 30.6.1969 (Amount to nearest R1 000) | Cents per Share |
|---|---|---|---|---|---|---|
| Profit (P)/Loss (L) from property activities | (P)470 | 4.0 | (P)383 | 3.3 | (L)12 | — |
| Net profit (from rentals, sales of developed land, etc.) | (P)470 | 4.0 | (P)246 | 2.1 | (L)127 | 1.1 |
| Non-recurring profits (from sales of undeveloped land, expropriations, etc.) | — | — | (P)137 | 1.2 | (P)115 | 1.1 |
| Loss (L)/Profit (P) from mining operations | (L)468 | 4.0 | (P)119 | 1.0 | (P)131 | 1.1 |
| Interest received (net) | 3 | — | 81 | 0.7 | 112 | 0.9 |
| Group profit before taxation | 5 | — | 583 | 5.0 | 231 | 2.0 |
| Less: Taxation | 188 | 1.6 | 245 | 2.2 | 6 | — |
| Group Loss (L)/Profit (P) after taxation | (L)183 | 1.6 | (P)335 | 2.8 | (P)225 | 2.0 |
| | | | Year 1970 | | Year 1969 | |
| Annual Group Profit after Taxation | | | 1 796 | 15.6 | 1 433 | 12.4 |

NOTE: The issued capital is R11 513 984, divided into fully paid shares of R1 each.

It is expected that for the current year the Group profit after taxation is unlikely to exceed that for 1970. The actual profit will depend on whether certain sales presently being negotiated are completed and brought to account by the year-end, or have to be carried over into next year, in which event the Group profit will be substantially lower.

**MINING OPERATIONS**

The results achieved by the company's mining subsidiaries deteriorated sharply during the half-year. The countermeasures taken will lead to the early closure of Crown Mines and the severe curtailment of operations at City Deep, but have resulted in the mines operating at a profit during the third quarter of the year. Future profitability will depend to a large extent on the premium on gold sales and sales of surplus plant and equipment.

**LEASES AND RENTALS**

Rental income continues to increase and in the current year will be about 25% higher than in 1970.

**SALES AND EXPROPRIATIONS**

Since the end of the half-year, the Johannesburg City Council has agreed to purchase the 12 hectare housing estate at City Deep, which is required in connection with the new municipal abattoir, and negotiations in respect of about 144 hectares of land, expropriated by the Council for motorways and powerlines, have reached an advanced stage; in addition, sales of stands in proclaimed townships have realized satisfactory profits.

By order of the board
For and on behalf of
CHARTER CONSOLIDATED LIMITED
London Secretaries
E. Burrows.

Office of the London Secretaries:
40, Holborn Viaduct, EC1P 1AJ.

Share transfer office of the London Secretaries:
Kent House,
Station Road,
Ashford, Kent.

30th September, 1971.

## Foseco Minsep LIMITED

**Interim Statement**

| | £'000's 6 months unaudited to 30.6.1971 | to 30.6.1970 |
|---|---|---|
| Sales outside the group | 23,970 | 21,720 |
| Profit before tax | | |
| Metallurgical, Building, Water and Waste | 2,962 | 2,955 |
| Other trading, interest and investment income | 82 | 208 |
| | 3,044 | 3,163 |
| Less Group management and Services | 176 | 174 |
| Total profit before tax | 2,868 | 2,989 |
| Less Tax* | 1,254 | 1,358 |
| | 1,614 | 1,631 |
| Less Minorities | 134 | 270 |
| Net profit after Tax and Minorities | 1,480 | 1,361 |
| Earnings per share | 3.41p | 3.19p |
| Interim dividend per share | 1.46p | 1.46p |
| Ordinary 25p shares issued | 43,449,659 | 42,587,219 |

*The tax charge shown above has been estimated using the current tax rates of the countries in which the profits arise. The final tax rates are dependent on the dividends distributed to the U.K.

Earnings per share show a modest increase over the figure for the corresponding period of last year. As can be seen from the table above, total profits before tax show a decline and, apart from the reduction in Other trading, etc., there is a drop in profits of the Metallurgical Sector, where a fall in steel and casting production has occurred in many countries of the world. The profits of the Building and Construction Sector and of the Waste Treatment Sector are maintaining the strong growth evident in the 1970 results.

Much uncertainty still hangs over the economies of the major industrialised countries and there are few signs of a quick recovery in steel and casting production. Thus, the growth prospects of our Metallurgical Sector will be affected in the short term, but promising new product developments coupled with the opening up of new markets both geographically and within the metallurgical industries give continued confidence in the future. Meanwhile the growth in our other industry sectors is gaining momentum, a trend which should be maintained.

**Bamangwato Concessions Limited**

Since advising our shareholders on 24th July of arrangements for lessening our investment commitments in Botswana, finalisation has been deferred owing to delays in the completion of certain trading and financial agreements. We are informed that every effort is being made to complete these arrangements so that the project may continue on schedule.

**Dividend**

The Directors have declared an interim dividend of 1.46p per share less income tax on the Ordinary Share Capital. The interim dividend will be paid on 6th December 1971 to shareholders registered on 29th October 1971.

*36 Queen Anne's Gate, London SW1H 9AR*

*30th September, 1971*



## GRAMPIAN HOLDINGS LIMITED

## Interim Report 1971

To the Shareholders:

The unaudited results of the Group for the half year to 30th June 1971 are:—

| | Half year to 30 June 1971 £000 | Half year to 30 June 1970 £000 | Year to 31 Dec. 1970 £000 |
|---|---|---|---|
| Group Sales | 15,341.3 | 16,029.9 | 32,657.4 |
| Profits from Trading | | | |
| Grampian Construction | (297.8) | (418.9) | (773.7) |
| Grampian Textiles | 34.5 | 74.9 | 151.9 |
| Grampian Transport | 234.0 | 241.8 | 527.2 |
| Wallacetown Engineering | 160.1 | 60.4 | 179.3 |
| Grampian Sports | 87.7 | 43.5 | 43.4 |
| Revel Industrial Products | 71.9 | 31.3 | 92.8 |
| Rose-Morris & Co. | 77.9 | 89.6 | 216.3 |
| Hall Electric/Pinnacle Electronics | 90.6 | 95.6 | 203.4 |
| Grampian Graphics/W. S. Cowell | 115.6 | 89.1 | 245.4 |
| | 574.5 | 307.3 | 886.0 |
| Deduct: Bank and Debenture Interest, Parent Company and other expenses | 193.9 | 161.9 | 325.6 |
| | 380.6 | 145.4 | 560.4 |
| Taxation (estimated) | 165.3 | 70.5 | 262.2 |
| Minority Interests | 14.2 | 9.0 | 22.6 |

NOTES:

(a) Since 30 June 1971 the Grampian Fasteners sub-group of companies has been sold. This is a material transaction, and therefore it will be the subject of a separate circular to be issued later, and the results of these companies have been excluded from the above statement. These companies returned trading profits of £209,000 for the half year to 30 June 1970 and of £430,000 for the year to 31st December 1970; since 30 June Grampian Holdings has received a gross dividend of £175,000 in respect of 1971.

(b) During the half year to 30 June 1971 three small subsidiaries Helorib Ltd, Holorib SA, and Sunderland Sportswear Ltd were sold.

(c) In the annual accounts an overstatement of work in progress in previous years, amounting to £42,000 after tax, will be adjusted against the opening balance of retained profits.

The Fasteners' sale yields a total cash benefit of some £1.8m and effects a planned substantial improvement in the Group's liquidity situation.

In the Construction division our difficulties are not finally resolved, but present indications are that the loss for the full year will show a marked reduction on that for 1970, and may not much exceed that for the first half of the current year.

Several divisions are showing useful recovery or advance, and though general circumstances, particularly the voluntary price restraint policy and international currency realignment, may disturb trading in some subsidiaries, your directors expect that the full year's results will confirm that the Group is surmounting its problems. They have decided to declare an interim dividend of 2½%, less income tax, which will be paid on 6 November 1971 to members on the Register on 19 October 1971.

DAVID C. GREIG
Chairman

Glasgow
30 September 1971

## FRANCIS INDUSTRIES LIMITED

**INTERIM REPORT**

Half-year ended 30th June, 1971

Group results, unaudited, for the period are as follows:—

| | Half-year to June, 1971 £ | Half-year to June, 1970 (see note) £ | Year 1970 £ |
|---|---|---|---|
| GROUP SALES | 6,215,000 | 5,660,000 | 11,393,104 |
| Profit (Loss) before interest and tax | 201,500 | (154,300) | (155,394) |
| Debenture, Loan and Bank interest | 150,500 | 152,600 | 310,536 |
| Profit (Loss) before tax | 51,000 | (306,900) | (465,930) |
| Corporation Tax at 40% | 20,400 | — | (22,104) |
| Profit (Loss) after Tax | 30,600 | (306,900) | (443,826) |
| Preference Dividend (gross) | 5,500 | 5,500 | 11,000 |
| Interim Ordinary Dividend (gross) | Deferred | 55,445 (4%) | 55,445 (4%) |

NOTE

For purpose of comparison the half-year result to June, 1970 is comprised of the figures published last October together with one half of the full year's loss of the United Lift & Escalator Co. Ltd.

In view of the trading result the Board has resolved to defer consideration of a dividend on the Company's ordinary share capital until early in the New Year.

It is also reported:—

1. Short-term borrowings by the Group were reduced by approximately £600,000 during the half-year.
2. A trading loss at The United Lift Co. Ltd., was incurred but at a reduced rate reflecting the initial effects of reorganisation. As reported in the annual accounts for 1970, changes of accounting policy have been effected and Messrs. Armitage & Norton are now that Company's auditors. The Board has asked them to confirm that all appropriate accounting standards are now being fully observed.
3. Profits in the other companies of the Group in the aggregate showed a substantial improvement.
4. The half-year profit for this year includes the proportion of the loss of profits insurance claim for Lacrinoid Products Ltd. applicable to this year's trading. The balance relates to 1970 and will be dealt with accordingly.
5. With effect from 1st October, Mr. R. F. Lang, M.B.I.M., will be appointed Deputy Chairman and Mr. R. W. Firth, B.Sc., will be appointed Group Deputy Managing Director. Also, with effect from 1st January, 1972, Mr. Firth will take up the appointment of Group Managing Director at which date Mr. Lang will retire from that office. Mr. Lang will continue as Deputy Chairman of the Board until reaching the retiring age in June, 1972.

30th SEPTEMBER, 1971.

P. M. TAPSCOTT,
Chairman.

## Woodall-Duckham Group Limited

Interim Statement Six months to 30th June, 1971

| | 1971 First half year £000 | 1970 First half year £000 | Full year £000 |
|---|---|---|---|
| Profit (less provisions for contingencies) | 397 | 358 | 1,125 |
| Taxation (estimated) | 205 | 173 | 518 |
| Profit after taxation | 192 | 185 | 607 |

An Interim Dividend of 5% and the Preference Dividend for the second half of the year will be paid on 31st December, 1971 to all Shareholders whose names appear on the Company's Register at the close of business on 3rd December, 1971.

Members are again reminded that, since much of the Group's business is concerned with large contracts spread over long periods, figures for a period as short as six months are not significant.

Profits for the Group for the year as a whole should be well sufficient to cover a Dividend on the Ordinary Shares at the rate of 20% established last year.

Profits would have been greater but for the effect of the slower tempo of the economy on the manufacturing activities of some of the group companies. One of the companies suffered losses: the causes are being dealt with.

The contracting business continues to be satisfactory and will benefit further in 1972 from important orders placed during the summer months.

Generally the prospects for 1972 are promising.

**Woodall-Duckham**
WORLDWIDE PROCESS ENGINEERING AND CONSTRUCTION

# The Property Market

BY MICHAEL O'HALLORAN

## Carnaby St. sale—big development imminent

A MAJOR PART of Carnaby Street is for sale. It is part of what is now called the Carnaby Estate—well over an acre of freehold land neatly bounded on the other three sides by Ganton Street, Marshall Street and Fouberts Place. And it is almost certain that the top bidder at Edward Erdman's auction next month will want to undertake a major redevelopment scheme. Future potential far exceeds current income of £150,000 a year.

Who is the seller? The company wants to remain anonymous at the moment, but I understand that it is one of the big property groups. It apparently acquired a controlling interest in the site from a private company which has spent years putting it together.

Some 54 properties are contained within the site, but all but 12 of the 300 plus tenancies expire by the end of next year. Informal discussions have taken place with Westminster City Council, and tacit approval given to a plan which includes a 270-bedroomed hotel, shops, offices and flats. Here lies the twist. Now that hotel grants have been discontinued, a developer could well consider residential space as a lucrative alternative. But it would be unwise to discount the possibility of a very large office block.

It would not be difficult to suggest a long list of potential buyers, but—at this early stage —I might put a small wager on the Crown. The site could well fit in with the Crown's long-term ambitions for this part of London, where it has been a consistant purchaser in recent years.

## Another Star coup at Didcot

Star (Great Britain) Holdings' industrial estate at Didcot must be regarded as one of the best deals of its type for many years. Helped by the postal strike, which prevented potential rivals from knowing about the twelfth-hour resolving of certain planning problems, Star won the auction for the estate with a bid of only £600,000. What a price to pay for 1½m. square feet of existing buildings and 180 acres of land! It was a cheap buy even if the local authorities were insisting upon a fairly lengthy phasing. But now this problem has also been overcome, and all 1½m. square feet could be occupied within the next 13 months.

The councils were particularly concerned about likely traffic congestion prior to the completion of the Abingdon by-pass—scheduled for 1974. However, Star has been able to solve the matter, particularly by agreeing to build a new bridge which will link the estate with the A34. Official approval has just been given to a completely new timetable which puts double cream on the deal.

First, Star will be able to utilise a further 250,000 square feet plus 25 acres of land for open storage almost right away. There is no doubting the demand for space, for a lot of the first phase of 250,000 square feet has already been let to tenants such as Heinz and Habitat. Rents started at a minimum of 40p per square foot, but they have already edged up to nearer 50p. And the buildings do not cost a fortune to renovate to a very high standard.

On completion of the bridge on June 30 next year, whichever comes first, a further 500,000 square feet plus 50 acres of land can be released. And three months later, all restrictions will be removed. This timing almost certainly fits in neatly with Star's own plans, which include provisions for a freightliner depot and possibly an inland port. Within two years of the original purchase, therefore, the annual rent roll could exceed the purchase price. Even if you make an extravagant allowance for subsequent expenditure, the profit is still enormous.

## Truscon deal uncertainties

What is happening and what will happen to Truscon Properties? This is surely the most important facet of the Ionian Bank's purchase from Shell Petroleum of nearly 49 per cent. of the Truscon building group, and its intention to bid for the balance at 27p. At this price, Truscon is valued at not much over £1m. This figure is somewhat difficult to reconcile with the news which has been coming from the property side, particularly so far as Dutch development is concerned.

Truscon Properties is led by Julian Markham. But despite his large shareholding in this subsidiary, he is not an employee, and he is free to develop through other channels. The fact that he has done so in recent months —a Paris project is one example —does suggest financing problems. Ionian can presumably overcome these problems, but will Mr. Markham wait in the wings for the take-over to go through?

There were pre-bid rumours that Mr. Markham was intending to either sell-out of Truscon Properties or to acquire a majority interest. The figures talked about do not bear much relation to the 27p per share for the whole group. Some clarification of the situation is obviously needed.

## Leslie Brown on target

With around 600,000 square feet of industrial space already let this year, companies within the Leslie Brown group are firmly on target. This will be the fourth successive year that the group has dealt with well-over 750,000 square feet—none of it traded, and none of it subject to lease-back deals. Add on the 365,000 square feet of office space being built within the group, and the further 325,000 square feet with which it is associated, and you begin to get some idea of the portfolio which is being created.

Leslie Brown is still something of an unknown quantity so far as non-property circles are concerned, but this is a matter which I think will be resolved by a public quotation. It could well be one of the most interesting property issues of 1972—my guess is towards the end of the year, when the major office developments become income-producing. What might surprise the property world is not the size of the known group, but more the submerged stakes which it has built-up in many important situations. Impressive though they are, I believe that the group's solo deals only tell half the real story.

Under the Consolidated Factory Holding umbrella, the group is setting what must surely be new rent records in the industrial field—£1.25 per square foot. This level is being achieved at the rear of Kings Cross Station, where Leslie Brown has won three tenders in recent months and is currently building 112,000 square feet of space in 12 units. The policy of tendering on the basis of high rent/single storey construction, rather than the multi-storey properties envisaged by most competitors, is paying handsomely.

## OUT AND ABOUT

Quietly, but fairly rapidly, Langcope is establishing itself as one of the leaders in the suburban office market. The subsidiary of Clearbrook Property Holdings has just added two more deals to its recent string of successes. First, and particularly interesting, is the winning of a speculative ODP for 55,000 square feet in Woking. Demand in the town has been such that almost any office project has been assured of success. Secondly, the company is to undertake a major redevelopment scheme not far away in Weybridge. Planning permission has been granted for shops and offices, and construction will start early next year.

● London has been quiet for the past two weeks, though the Lyon letting at Monument has naturally boosted confidence. The only new space of note to become available is 42,000 square feet at Metropolis House, Tottenham Court Road, where the tenant wants to assign the lease without payment of a premium. The current rent of £6 per square foot is hardly expensive. The lease has 14 years to run, and Goldstein Leigh Associates are joint agents with Fuller Peiser and Co.

● What rent would you put on offices in the Oval Road area of N.W.1? Well, almost £3 per square foot has just been agreed for 18,450 square feet in Shipton Group House—I would think that this is something of a local record. Pepper Angliss and Yarwood acted for Shipton Automation while the tenants—Academic Press—were represented by White Michaels and Co.

● Norwich Union is to develop a 41,000 square feet office block in Waterloo Road, Wolverhampton—another addition to a portfolio which is currently valued at over £170m. Most of the first floor will be occupied by Norwich Union, but the remaining space will be let by Edwards, Bigwood and Bewlay. Down the road in Edgbaston, work has just begun on the first phase of MEPC's massive office complex. This phase includes the largest single office block in Birmingham—135,000 square feet of net lettable space in a 20-storey building. Edwards Bigwood and Bewlay are again the letting agents.

● Interesting news on the industrial front is that Henley's property at The Vale, Acton, is for sale. This key location should attract all of the renovation specialists. The freehold site is currently covered by three buildings offering a total of 143,056 square feet, most of it single storey and including 14,260 square feet of offices. Edward Erdman and Co. will auction the property early next year.

● A lot of money is still seeking a property home in Holland. The Credit Lyonnais real estate department, which acts for a number of international investors, has just bought the Sabena Building in Amsterdam plus an older showroom block with development potential. Knight Frank and Rutley's Geneva office acted for the bank, and the deal involved a total of Fls.3.5m.

● Other news on the international front is the completion of Star's 75,575 square feet office block at Avenue des Arts, Brussels. Considering the current rental activity in the city, it should not be too difficult to find a tenant for this air-conditioned building which has basement parking for 135 vehicles. Later this year, construction will start on a second phase of the development—a further 35,700 square feet fronting Rue du Commerce. Jones Lang Wootton are joint agents with Jacques de Duve, the latter acting in conjunction with De Groot Collis International.

● English and Continental Property must be happy with its string of deals in Leatherhead. About six months ago, the company paid a little over £150,000 for the Regent industrial estate, and then bought the adjoining office/factory property. Renovation is now nearing completion, and most of the units are under offer at rents based upon 87½p for industrial space, and £1.50p for office accommodation. Latest news is that Decca has exchanged contracts to rent the entire ex-Plannair property on this basis, paying a total rent of £36,500 per annum for space where the freehold did not cost English and Continental much over £300,000. Grant and Partners are project managers for the entire project, and Caplan, Hay and Co. were joint agents on the Plannair site.

● Tony Charrington is leaving Allsop and Co. to open his own agency at 116 Piccadilly. He has been with Allsops for some 3½ years, specialising in industrials, and his name is often linked with important deals done by Central and District. The investment department at Richard Ellis and Son has lost another man—Chris Curtis. He has left to join Mackenzie-Hill and aid the expansion of the company's commercial development programme. As he points out, the popular image of Mackenzie-Hill as a purely industrial developer is no longer a true one.

## Eden opens £2m. factory extension

By Our Own Correspondent

SWANSEA, Sept. 30.

SIR JOHN EDEN, Minister for Industry, to-day formally opened a £2m. extension to the Signode steel and non-metallic strapping and ancillary products factory here to-day.

Afterwards, Sir John announced that another company—Consolidated Match (U.K.), a subsidiary of a Swedish company—is to occupy a new 33,000 sq. ft. factory on the same industrial estate. Sir John said that would initially not be a large project, but that it had potential for growth. It also illustrated that hard judges on the Continent had confidence in investment in Wales.

The extension which Sir John opened will mean raising the labour force from 390 to 490 and a doubling of capacity.

Signode strapping of which 50,000 tons is made annually of strip steel from Welsh mills, goes to 69 countries. Nearly 40 per cent. of output goes for export.

A Davy-United rolling mill has been installed which is capable of rolling a coil of raw steel strip weighing more than seven tons, with a maximum rolling speed of 1,925 feet per minute.

# INDUSTRIAL & BUSINESS PROPERTY

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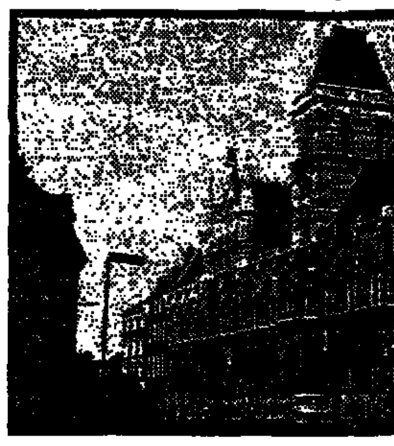
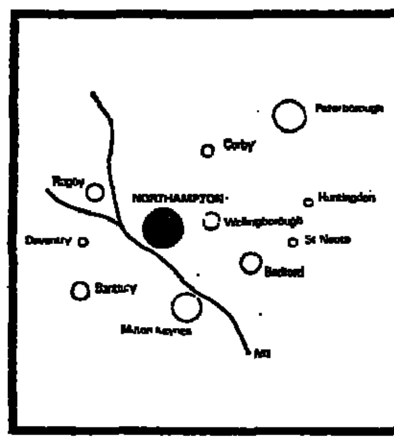
# Northampton's opportunities

## Northampton is expanding

### Northampton's expansion is rapid
The town, already a County Borough of 130 000 people, is to grow to 230 000 in the next ten years or so. New homes, jobs, schools, shops—a good life for new people!

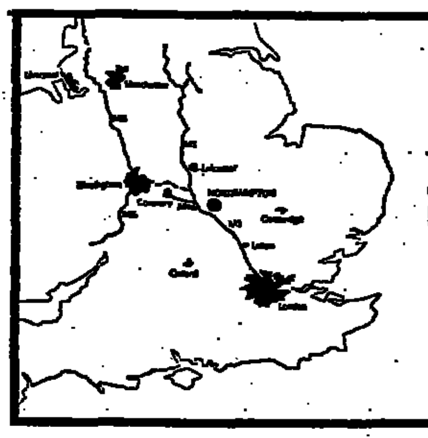


### Northampton is a partnership town
The Development Corporation, set up to carry out the expansion of Northampton, is working closely with the County Borough Council, thus ensuring speedy, efficient and helpful co-ordination of all services.

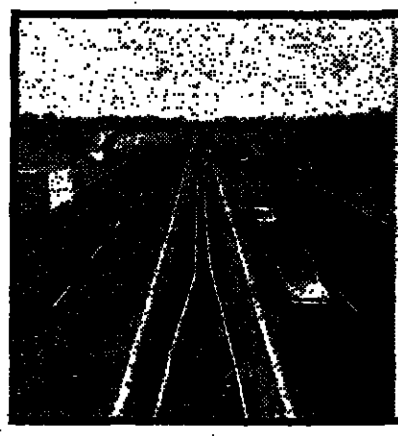


### Northampton's future
By the time that the extensive redevelopment in the town centre and the expansion are both complete, Northampton will be a major business, manufacturing, administrative and entertainment centre.

## Northampton has excellent communications



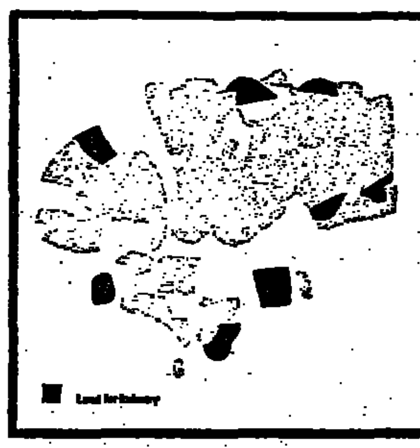
### Northampton is only 60 miles from London
Travelling to London by coach, car or train takes little over an hour.



### Northampton is close by the M1 motorway
The M1 motorway affords easy access to London and the north, as well as to other motorways to all parts of the country.

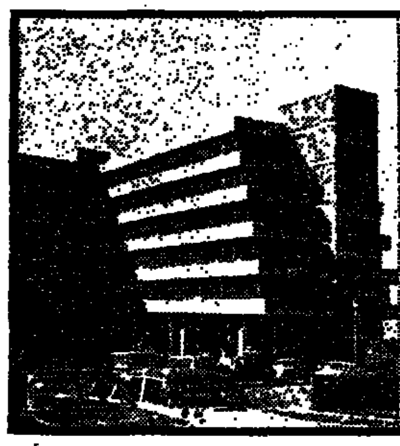
### Northampton's new road network
New high-speed roads on either side of the existing town will link all parts of Northampton to one another and to national routes.

## Northampton offers scope for industry and offices



### Northampton's new employment areas
1100 acres have been reserved for industry. Superb factory sites are available at ground rents around £1500 per acre.

### Northampton has factories to let
Standard factories in a variety of sizes are now ready for occupation. Rents vary from 50p to 62½p per sq ft.



### Northampton has sites for offices
A 200 000 sq ft office block, let to Barclaycard, is nearing completion. Work has started on other new office blocks, and superb sites are available for office development at reasonable rents.

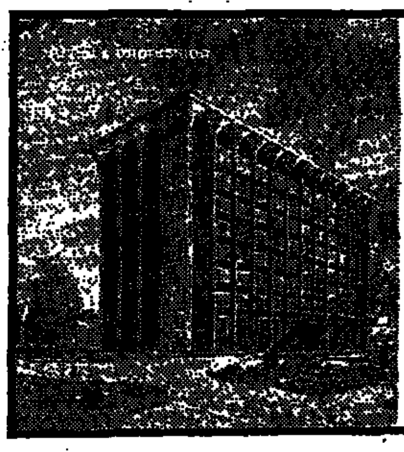
## Northampton has houses to buy or rent

### Northampton is building 30 000 new homes
House building is already in progress both for letting and for sale. Houses in the popular price ranges are much cheaper than in the London area.

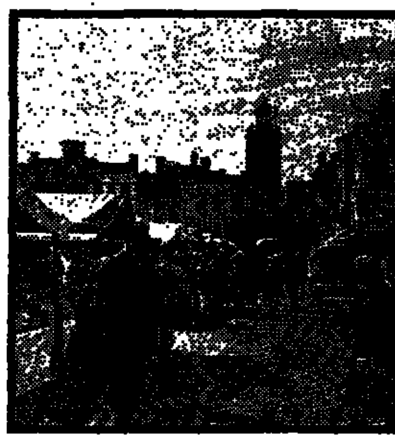
### Northampton offers houses to buy
Hundreds of acres of land are being sold to building firms for the construction of houses in a wide range of prices. Single plots are also available.

### Northampton offers houses to rent
Four housing contracts, providing about 1600 homes for letting, are already under way, and others are in the pipeline. The first houses were occupied earlier this year.

## Northampton is an old established town



### Northampton has a long history
The new Saxon Hotel—with 140 bedrooms and full banqueting and conference facilities—is being built inside the boundaries of the Saxon town, known as Hamtune, which dates back to the 9th century.



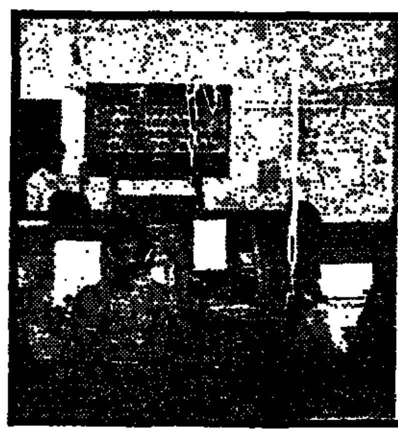
### Northampton has a large Market Square
The open-air market, held on Wednesdays and Saturdays, is one of the largest in the country. The Square has been the hub of the town for centuries.

### Northampton has a varied employment structure
Formerly known as the home of boots and shoes, Northampton's industry is now widely diversified and well balanced. The town has an excellent employment record; in August 1971, unemployment in Northampton was 1·6%.

## Northampton has first rate education facilities

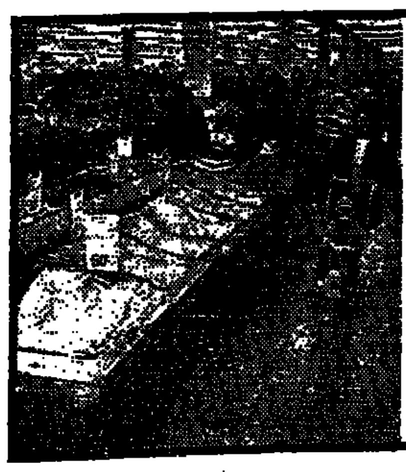
### Northampton has many established schools
Some of Northampton's schools are very old established. The Town and County Grammar School was founded in 1541.

### Northampton's new schools will be comprehensive
Education will be in upper, middle and lower schools, all of which will have excellent facilities and extensive playing fields



### Northampton has further education facilities
The College of Technology and School of Art offer a wide variety of courses and there is an annexe to Leicester University in Northampton. A new College of Further Education is under construction.

## Northampton has excellent facilities



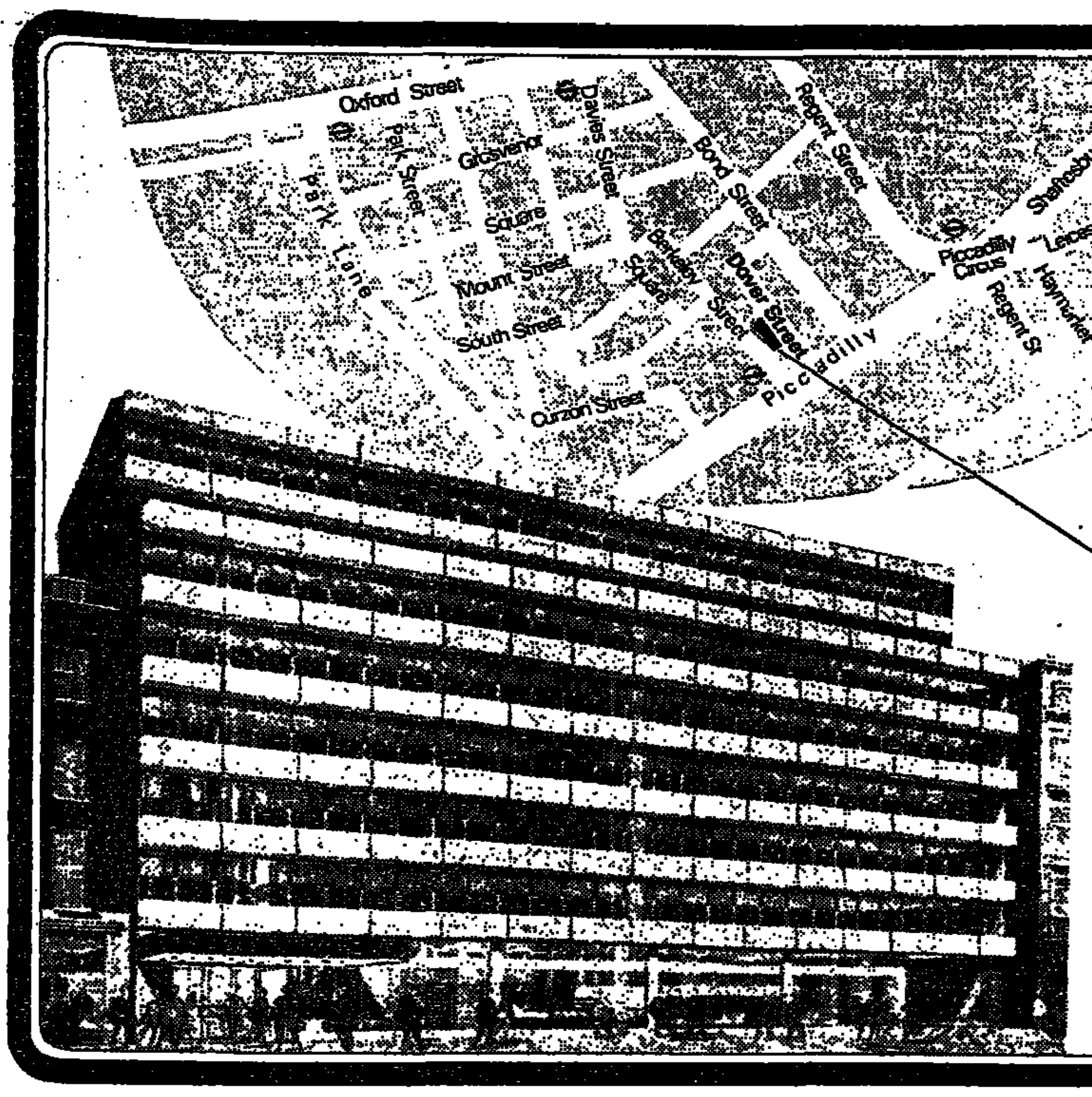
### Northampton's shops
The town attracts shoppers from a wide area to visit the well-known multiple stores which have branches in Northampton. There is already more than 1·6 million sq ft of shopping space in the town centre, and large new developments are starting shortly.

### Northampton's sport
Northampton has league football, first class cricket and top class Rugby football teams. Motor racing and horse racing are within easy reach, and there are opportunities for fishing, sailing and many other sports.

### Northampton's parks
Northampton has many pleasant parks and open spaces. Landscaped areas included in the expansion plans will provide more opportunities for recreation.

Northampton Development Corporation

Write or phone:
L Austin-Crowe BSc ARICS
Chief Estates Officer
Northampton Development Corporation
2-3 Market Square
Northampton NN1 2EN
0604-30631

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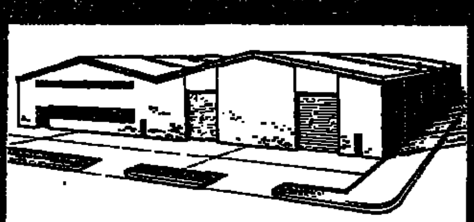

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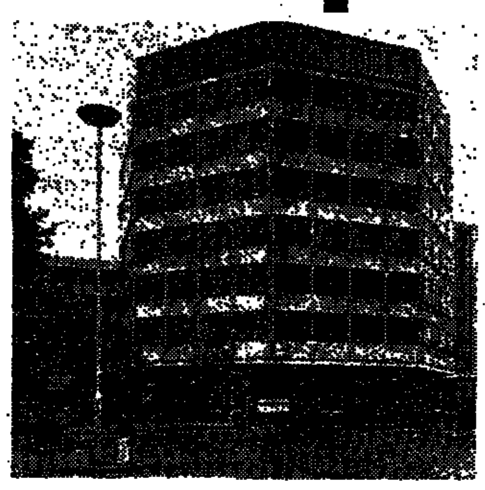

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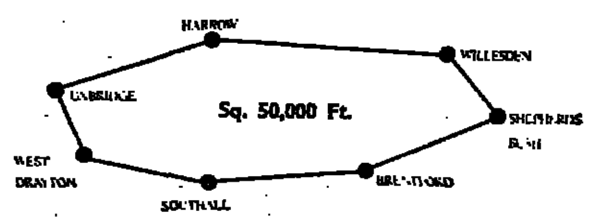


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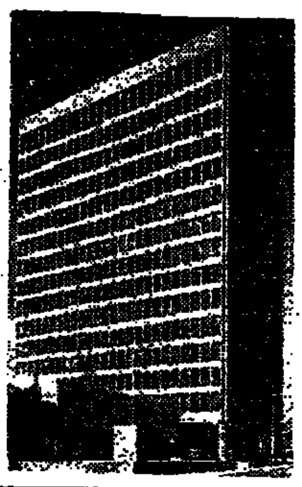

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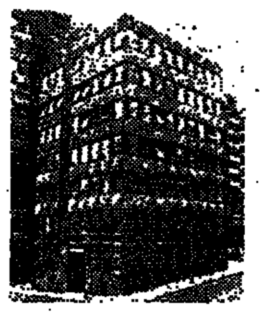

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**FINSBURY SQUARE, E.C.1.**
2,700 sq. ft. To Let Modernised

**ST. HELEN'S PLACE, E.C.3.**
2,050 sq. ft. To Let Long Lease

**TOTTENHAM COURT ROAD, W.1.**
1,150 sq. ft. 1st Floor Office/Showroom

**EARLS COURT, S.W.5.**
950 sq. ft. To Let Adj. to Underground

**Station House, Wembley**

15,000 sq. ft.

**NEW BUILDING**

## SHOPS

**HALKIN ARCADE, S.W.1.**
1,000 sq. ft. To Let Ground floor and basement

**CARLISLE**
Extensive premises in a mutiple location

**LIVERPOOL**
Two shop units adjoining Fine Fare

**BEDMINSTER, Bristol**
New Development Supermarket let to SAINSBURYS

**LEEK, Staffs.**
A site suitable for a Supermarket

## FACTORIES AND WAREHOUSES

**KEW, Surrey**
54,450 sq. ft. To Let Warehouse

**POCKLINGTON INDUSTRIAL ESTATE, East Yorkshire**
40,000 sq. ft. To Let Warehouse
65 North Bar Within,
Beverley, Yorks. Tel: 0482 885261

**DISS, Norfolk**
½ acre sites Units to Let
8 & 10 Upper King Street,
Norwich Tel: 0603 29121

**EAST DEREHAM, Norfolk**
From 1,500 sq. ft. Units to Let
8 & 10 Upper King Street,
Norwich Tel: 0603 29121

**DARWEN, Lancs.**
10.3 acres For Sale Freehold Industrial Site

**BELLSHILL, near Glasgow**
6.43 acres For Sale Freehold Industrial Site

**ELY, Cambs.**
5.25 acres For Sale Freehold Industrial Site

**LEEK, Staffs.**
68,800 sq. ft. For Sale or To let Factory

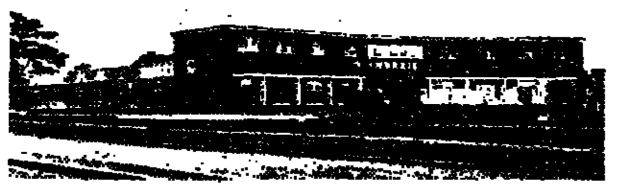
**WORCESTER**
2.5 acres For Sale Freehold Warehouse Site

**WALTHAMSTOW, E.17.**
110,000 sq. ft. To Let Factory

**CHELTENHAM**
65,300 sq. ft. For Sale Freehold Warehouse Cash & Carry

**NORTHOLT, Middlesex**
22,200 sq. ft. For Sale Factory

**BIDEFORD, Devon**
5.9 acre site
22,550 sq. ft. To Let Factory



**BROMBOROUGH, Cheshire**
19,000 sq. ft. For Sale Freehold Modern Showroom and Workshop premises
Joint agents: Mason, Owen & Partners,
Gladstone House, Castle St., Liverpool Tel: 051227 3651

**BARLBY ROAD, W.11.**
25,500 sq. ft. To Let Warehouse
Joint Agents: Chesshire, Gibson & Co.,
63 Temple Row, Birmingham. Tel: 021643 9351

**STRATFORD, E.15.**
14,300 sq. ft. To Let Factory

**NORWICH RING ROAD, Norfolk**
10,000 sq. ft. To Let Warehouse-Depot
Available Spring 1972
8-10 Upper King St., Norwich Tel: 0603 29121

**WELWYN GDN. CITY, HERTS.**
8,550 sq. ft. To Let Warehouse

**5 MOUNT STREET, LONDON, W1Y 6AQ Tel. 01-499 8644 Telex 263796**
63 LINCOLN'S INN FIELDS, LONDON, WC2A 3LD. Tel. 01-405 8544
Banbury, Beccles, Beverley, Braintree, Chelmsford, Fakenham, Halstead, Hereford, Holt, King's Lynn, Norwich, Wimborne.

In association:
Scotland: J. T. Sutherland, Bank of Scotland Buildings, Brechin, Angus.
Australia: Warden & Minear, Chartered Surveyors, Perth.
Paris: Cabinet Roux, 43, Rue de Liege, Paris 8e and Western Europe.

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Prestige

## PETROL FILLING STATION

with tremendous potential throughput
and

## MOTORISTS' SUPERMARKET, ETC. TO BE LET

at
ARUNDEL TOWERS, SOUTHAMPTON
in the heart of the city

- 11,500 sq.ft. approx. site area.
- Adjoining exit of multi-storey car park for 735 cars serving the main pedestrianised shopping centre.
- 184' 0" frontage to busy thoroughfare. New development includes Free House/Restaurant complex, twin tower blocks of 100,000 sq.ft. of offices, showroom, 3 shops and new landscaped square.

Further details:—
or

**FOX & SONS**
32-34 LONDON ROAD.
SOUTHAMPTON.
Tel. 25155 (10 lines).

**ESTATSURE LTD.**
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HOVE, SUSSEX.
Tel. 0BR3 70168.

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On the instructions of Vickers Limited.

# METROPOLIS HOUSE

## Tottenham Court Road W1

**41940 sq ft (3896m²)**

The entire tower block comprising the 4th to 12th floors of this imposing air conditioned building incorporating all modern amenities.

14 year lease for disposal.

Sub-letting would be considered as would sub-division of the total area.

JOINT SOLE AGENTS.

**FULLER PEISER & CO**
CHARTERED SURVEYORS
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**GOLDSTEIN LEIGH Associates**
15 Half Moon Street
London W1Y 8HQ
Tel: 01-629 6373

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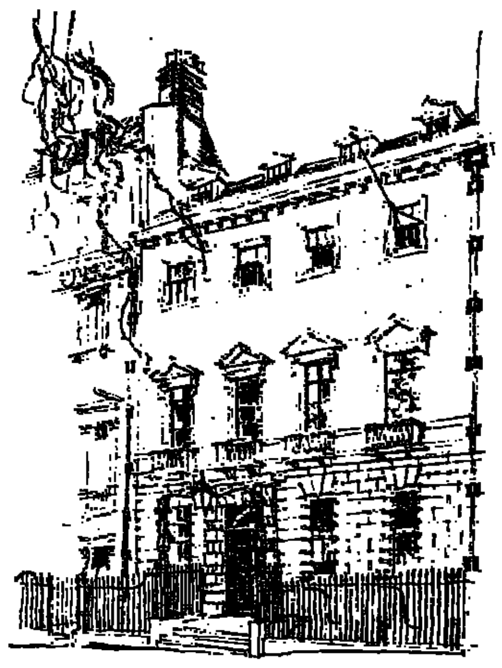

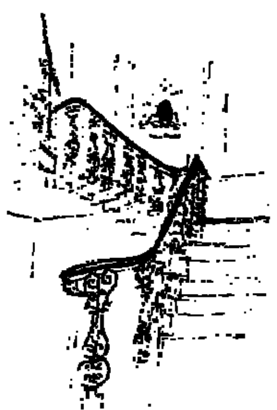

## 46 Berkeley Square London W1

A superbly modernised office building of approximately 17,000 sq ft to be let

A development by Haslemere Estates Limited

Sole agents
Debenham Tewson
& Chinnocks
Chartered Surveyors

28 Grosvenor Street London W1X 9FE Tel 01-499 9152

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## DERBY Freehold Industrial Premises

**120,000 sq. ft. on 2.5 acres £115,000**

**Richardson & Linnell**
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Tel: Derby 47405

**Chamberlain & Willows**
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**LANCASTER**

90,000 Sq. Ft. of heated storage space available, adjacent M6.

JAGAN INVESTMENTS
187, Watling St. Rd.,
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Tel. 700235.

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## SHOP/WAREHOUSE SHOWROOM

**Required by Public Company**

**8,000—25,000 SQ. FT.**

**Furniture & Allied Trades**

Out of centre positions
London Suburbs or substantial Provincial Towns
LEASE OR PURCHASE
Agents retained where necessary
THE MANAGING DIRECTOR, M.F.I. WAREHOUSES LTD.,
New Stadium Works, North End Road,
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## NORTHAMPTON - TO LET

(Close to Town Centre)

**Multi-Storey Warehouse Accommodation**

Approx. 63,000 Sq. Ft.

co op

For further particulars contact
Estate Department, C.W.S. Ltd.,
New Century House, Manchester
M60 4ES. Tel: 061-834 1212. Ext. 80

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## STORAGE—DISTRIBUTION—CONTRACT HIRE

## P.D. WHARFAGE & TRANSPORT LTD.

We currently have available for storage purposes up to 17,000 sq. ft. in a modern warehouse near Brighton, Sussex.

The property is ideally situated with easy access to the A.27 South Coast Road and the A.23 London Road.

The Company operates a fleet of 70 general haulage vehicles based at the nearby Port of Shoreham and enquiries for a distribution service or long term contract hire would be welcomed.

*Please contact:*
Mr. R. J. Hough,
Director Transport,
P. D. Wharfage & Transport Ltd.,
31 High Street,
Shoreham-by-Sea. BN4 5EG.
Sussex.
Telephone: Shoreham-by-Sea 2343

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## King & Co

1 Snow Hill
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Also at Leeds
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**SLOUGH**
Buckinghamshire.
Extensively refurbished single storey factory.
17,940 sq. ft.
Frontage to Bath Road.
Ready November.
To Let .

**CROYDON**
Surrey.
Existing single storey factory unit.
28,000 sq. ft.
To Let.

**NUNEATON**
Warwickshire.
New single storey warehouse.
12,150 sq. ft.
To Let.
£2,600 p.a. excl.

**POTTERS BAR**
Hertfordshire.
Modern single storey factory.
10,250 sq. ft.
To Let.

# Auction Sale

**ON TUESDAY 19th OCTOBER 1971**
at the London Auction Mart, E.C.4.

**REVERSIONARY INVESTMENTS**

*By Order of the Executors*
KENSINGTON S.W3.
30 and 54 Beauchamp Place
2 Freehold Shops & Offices
Let and producing : No. 30 £1100 pa ex
No. 54 £1495 pa ex
Rent reviews and reversions
1976, 1977 and 1979

**RESIDENTIAL BUILDING LAND**

*By Order of the Post Office*
LONDON N.W.6.
Greville Place
Freehold—Site area 929m² approx (10,000 sq.ft.)
Density zoning 136 persons per acre

*Auctioneers*
**Hillier Parker**
May & Rowden
77 Grosvenor St., London W1A 2BT
Telephone 01-629 7666
*also at Edinburgh, Sydney & Melbourne.*

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# SOUTHWARK STREET LONDON SE1

Adjacent London Bridge Station

## New offices shops and flats

A tenant is sought to support an Office Development Permit for 45,000 sq ft of office accommodation.

Development is planned to include 10 shops, flats and car parking.

**MEADOW SCHAMA**
79a Park Street London W1
01-493 8892

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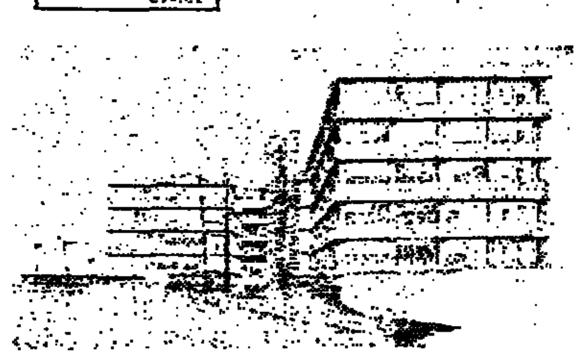
A LANGCOPE OFFICE Development



TRAVIS AND PARTNERS

## ROSEMOUNT HOUSE, WEST BYFLEET SURREY

## TO BE LET

Prestige Offices, due for completion in Jan., 1972. Block A 8.000 sq.ft. net at £1.75p p.sq.ft. (No O.D.P. reqd.). Block B. 30.000 sq.ft. net at £1.87½p p.sq.ft. Available subject to tenant being able to support an O.D.P.

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Sole Agents
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Clive Lewis & Partners — 16 Stratton Street, Mayfair, London W1X 5FD. Tel. 01-499 1001.

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*By Order of Wine Ways (Supermarkets) Ltd.*

# NORTHAMPTON

Easy reach M.1 Motorway

Excellent Modern Single Storey
**Warehouse & Distribution Depot with Offices**
**69,530 sq. ft.**
Freehold and Long Leasehold
Vacant Possession

**For Sale by Auction**
Thursday 28th October, 1971
at Winchester House, 100 Old Broad St, EC2

Chartered Surveyors
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London, EC2R 6AX
01-638 8001
**Chamberlain & Willows**

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# JOHN D. WOOD

& CO.

**TOTTENHAM N.17.**
FACTORY WAREHOUSE BUILDING
65,000 sq.ft.
or in units of
28,000 sq. ft. and 37,000 sq. ft.
Only 45p per sq. ft.
NO I.D.C. Required for Industrial Use

**8 MILES NORTH OF THE CITY**
COMMERCIAL/NEW OFFICE BLOCK
45,000 sq. ft.
or in floors of 7,500 sq. ft.

**WEMBLEY, MIDDX.**
MODERN SINGLE-STOREY FACTORY
22,000 sq. ft.
Central Heating. Rear Loading.
No I.D.C. Required.

23 BERKELEY SQUARE, LONDON, W1X 6AL 01-629 9050
Also at Chelsea, Kensington, South Wales, Edinburgh and Southampton

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**LADIES' & CHILDREN'S WEAR** situated in attractive Market Square Shop. Changing Rooms, etc. 3 Bedroom Living Accommodation. Growing population. Low rates. £6,750. 7H004

**INDUSTRIAL AND WAREHOUSE UNITS**
A comprehensive choice of Industrial and Storage Premises To Let in:— BALDOCK, BIGGLESWADE, HITCHIN, CAMBRIDGE MARCH, ST. IVES, POTTON, PETERBOROUGH, GAMLINGAY, KIMBOLTON and EARITH.
LIST ON REQUEST.

**VACANT SHOPS**
FOR SALE and TO LET in:—
NEWMARKET, BRAMPTON, SANDY, CAMBRIDGE, BIGGLESWADE, AMPTHILL, GODMANCHESTER, HUNTINGDON, ST. IVES and RAMSEY.

**OFFICES**
SELECTION OF EXCELLENT OFFICE SUITES TO LET IN:— HUNTINGDON, HITCHIN, ST. NEOTS, BIGGLESWADE and CAMBRIDGE.

**SITES**
Interesting COMMERCIAL SITES for REDEVELOPMENT in:— ST. IVES, RAMSEY, BALDOCK, BURY ST. EDMUNDS and HUNTINGDON.

**HUNTINGDON: OFFICES TO LET** in Prestige Building converted from Fine Old Residence in own grounds with spacious private walled car park at rear with easy access from Ring Road. About 3.500 sq. ft. usable floor space, planned with staircases and services for immediate conversion to two self-contained suites. Total Rent £3.500 per annum on 21 year F.R. Lease. 7F002

**ST. NEOTS: TWO SUITES OFFICES** convenient town centre. Parking, convenient access.
Rent (a) £1,950 for 2,250 sq. ft. newly erected (Ref. 7L006)
Rent (b) £1.100 for 1.000 sq. ft. lovely mature building with private car park. (Ref. 7W006)

EKINS & HANDLEY
Commercial Dept.,
37 Market Square,
ST. NEOTS, HUNTS.
Tel: Huntingdon 51101.

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# TO LET

**GROSVENOR HOUSE**
Redditch New Town Worcestershire
**50,000 sq. ft.**
Office Development
A development by Grosvenor Estate Commercial Developments Limited

**GRIMLEY & SON** CHARTERED SURVEYORS
39-40 TEMPLE STREET BIRMINGHAM B2 5DX
11, Duke Street, St. James's, London S.W.1.
021 643 5060

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# CLIENTS REQUIRE TYRE DEPOTS

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| Aylesbury | Coventry | Kingston/Surbiton |
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| Basingstoke | Dover/Folkestone | Sunderland |
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| Brighton/Worthing | East Lancs. | Warrington |
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**BUILDINGS UP TO 5000 ft. CORNER SHOPS**
**PETROL STATIONS SITES UP TO ½ ACRE**

Details to:—
**DUNSTER & MORTON**
Chartered Surveyors
34 KINGS ROAD, READING.
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A BOVIS PROPERTY DIVISION PROJECT

# M4

**BETWEEN HEATHROW AIRPORT AND THE WEST END**

A WAREHOUSE DEVELOPMENT UNPARALLELED IN LOCATION AND DESIGN.

UNITS AVAILABLE UP TO
**240,000 SQ. FT.**

FOR DETAILS CONTACT SOLE AGENTS
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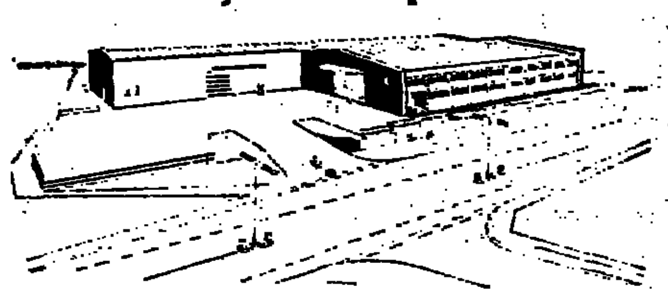
# DUNSTABLE

**42,000 sq. ft.**



PRESTIGE NEW S/S
**HEADQUARTERS WAREHOUSE**
IMMEDIATE POSSESSION
FRONTAGE TO A.5.

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A · RESTORATION · BY HASLEMERE · ESTATES · LIMITED

NUMBER · 146 · 148 CROMWELL · ROAD LONDON S · W · 7

# OFFICES TO LET

**10,300 sq.ft.**
**Self-Contained Building**

JOINT SOLE AGENTS

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# SUPERB PRESTIGE OFFICES TO LET

**Close Hyde Park Corner**
**Entire Building 10600 sq. ft.**
Would divide

New lift : New Central Heating : Fitted Carpets and Light Fittings throughout : Car Parking

**ANTHONY LIPTON & CO.**
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Telephone 01-499-8666

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# BIRMINGHAM, MINWORTH

M5/M6 4 miles. City 5 miles.
SUPERB
**NEW WAREHOUSES**
TOTAL 78,000 SQ. FT. (7,246m²)
TO LET IN UNITS
FROM 20,000 SQ. FT. (1,858m²)
Rental 42.3p subject to specification
Possession Spring 1972

# BIRMINGHAM, 28 (4 miles centre)

FREEHOLD SINGLE STOREY
**MODERN FACTORY**
92,646 SQ. FT. (8,607m²)
SITE AREA: 4.57 ACRES (1.82 ha)
CENTRAL HEATING
PLANNING PERMISSION FOR A FURTHER 46,000 SQ. FT.
FOR SALE

**EDWARDS, BIGWOOD & BEWLAY**
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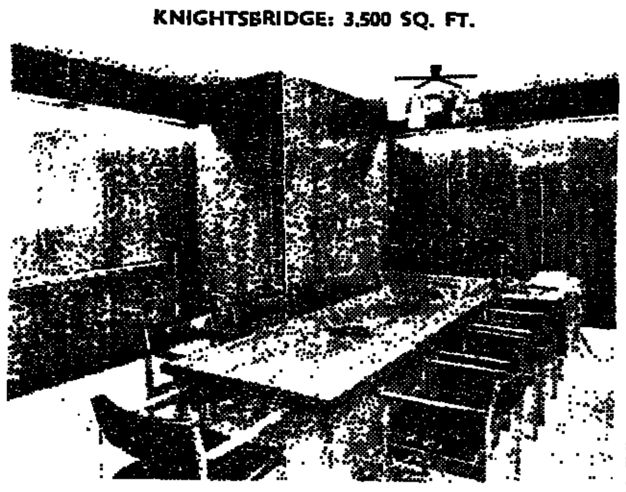
Exclusive
EXECUTIVE OFFICE SUITE
KNIGHTSBRIDGE: 3,500 SQ. FT.



**Farebrother Ellis & Co.**
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01-353-9344

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# EC3 TO BE LET

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| MARK LANE | 6,736 SF |
| MINCING LANE | 1,500 SF |
| EASTCHEAP | 1,182 SF |

**Richard Saunders & Partners**
43 45 Eastcheap EC3 ☎ 01-626 9081

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# FACTORIES AND WAREHOUSES TO LET

**HARLOW NEW TOWN, ESSEX.**
33,000 SQ. FT. WAREHOUSE
UNIT TO BE BUILT TO TENANT'S REQUIREMENTS OR WILL POSSIBLY SELL GROUND LEASE ON 1.49 ACRE SITE

**SLOUGH, BUCKS.**
116,000 SQ. FT. FACTORY UNIT
ASSIGNMENT OF LEASE AT LOW RENTAL

**RAINHAM, ESSEX.**
5,000 SQ. FT. UPWARDS
FACTORY/WAREHOUSE UNITS
FROM 50p SQ. FT. TO BE BUILT TO TENANT'S REQUIREMENTS

ERS&K **EDWARD RUSHTON SON & KENYON**
69, OLD BROAD STREET, LONDON, E.C.2.
Tel: 01-588 4601 and at Manchester 061-834 1814

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# FREEHOLD INVESTMENT

**SUBSTANTIAL CORNER OFFICE BUILDING**
**With Ground Floor Banking Hall**
Situated at
310/312 Seven Sisters Road, Finsbury Park, London N.4.
**Affording Valuable Reversion in 1977**
as to the major part
**FOR SALE BY AUCTION**
On Wednesday, 10th November, 1971, at 2.30 p.m.
At the London Auction Mart,
155 Queen Victoria Street, E.C.4.
Auctioneers
NORMAN HIRSHFIELD RYDE & BROWNE
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# PRESTIGE OFFICES TO LET

**WALTON ON THAMES**
SURREY
**sq. 14,000 ft.**
IMMEDIATE OCCUPATION

DETAILS FROM REF. PF
**HERRING DAW & MANNERS**
23 St James's Square, London SW1Y 4JL 01-839 3466
Offices at City of London, Croydon, Paris and Sydney

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# VICTORIA S.W.1.

**SELF CONTAINED OFFICE BUILDING**
**sq. 3,000 ft.**
(approx.)
**LEASEHOLD INTEREST FOR SALE**
Write Box T1454, Financial Times,
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# SOUTHAMPTON

Modern Freehold
**GENERAL INDUSTRIAL PREMISES**
Built for
Joinery Manufacture and for use as a Building Contractor's Yard
Joinery Works 6 200 sq.ft: Paint Shop and Stores 4 340 sq.ft.
Two Storey Offices—1 590 sq.ft.
with extra space for self-contained Flat
RETAIL SHOP with STORES—3.175 sq. ft. (DIY Stocks available)
The combined site has access from 2 roads and extends to nearly
**Three Quarters of an Acre**
Auction as a Whole or in 2 Lots on 26th October 1971

**FOX & SONS**
32/34 London Rd, Southampton. Tel: 28155

# New Prestige Headquarters in the City

Total letting area approx. 28,320 sq. ft. Comprising Ground Floor Shops & Shop Basements & six Floors of Office Accommodation

## TO BE LET AS ONE UNIT
## 52-60 CANNON ST. LONDON, EC4

- FULL AIR CONDITIONING
- GARAGE ACCOMMODATION FOR 6 CARS WITH ACCESS BY LIFT
- LOADING BAY AT REAR OF BUILDING
- NEAR BANK OF ENGLAND AND CITY CENTRE
- NEAR UNDERGROUND AND SOUTHERN REGION STATIONS AND BUS ROUTES
- FAST LIFTS TO ALL FLOORS
- DUE FOR COMPLETION JANUARY 1972

*Interested parties should write for full details to—*

**THE CITY OF LONDON REAL PROPERTY COMPANY LIMITED**
Vincula House, 29-31, Tower Place, London, EC3R 5BP
Telephone 01-623 3123

*A subsidiary of The Land Securities Investment Trust Limited*

**HANWAY STREET, W.1.**

Second floor light industrial approx. 1698 square feet. 3 year lease Rent £1350 p.a. ex.

Ground floor shop premises (now studio). Short lease. Rent £650 p.a. ex. £425 f & f.

**CROUCH END, N.8**

Lock up shop with rear access. Long lease. Rent £1.000 p.a. ex. Premium £1.500 o.n.o.

**DONALDSON & SONS**
CHARTERED SURVEYORS
125 Gloucester Road, S.W.7.
Tel. 01-370 4500.

# OFFICES TO LET

KNIGHTSBRIDGE AREA
1400 sq. ft. at £4 per sq. ft.
Offers welcome
Phone:
GERMAN CHAMBER OF INDUSTRY & COMMERCE
01 235 9947 (Ref:L/J)

# NORTHAMPTON

Factory/Warehouse industrial site approximately 2 acres available for the construction

**40,000–50,000 sq. ft.**

*Write Box T.1445, Financial Times, 10, Cannon Street, E.C.4P 4BY.*

**Approx. 6 acres**

of freehold building land for sale. Ideally situated adjacent to BSC Anchor project. Access already available.
*Apply:— ORTHOSTYLE LTD., Queensway, Scunthorpe, Lincs. Tel: Scunthorpe 2254.*

# The developing story of Salisbury Square…

TENANT NO. 4

The Romans arrived at Salisbury Square in legions led by centurians (very old soldiers). They built beautiful houses, brightly lit with Roman candles, and the Roman fashion designer, Marcus Quantas introduced the first mini-skirt…

Hammersons are now developing **Fleet Bank House**, a new office block in Salisbury Square, London, E.C.4. with C. lumens pro pedis quadrati.


THE HAMMERSON GROUP OF COMPANIES, 100 Park Lane, London, W1Y 4AR. Tel: 01-629 9494

# NEW BARNET

**FREEHOLD OFFICE DEVELOPMENT**

**30,000 sq. ft. net**

PRELIMINARY ENQUIRIES FROM TENANTS, OWNER OCCUPIERS OR AGENTS WITH NAMED CLIENTS

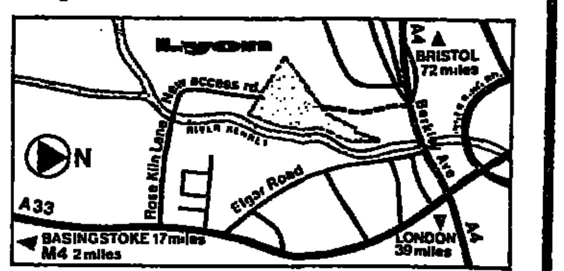
TO

**Richard Saunders & Partners**
43/45 Eastcheap EC3 ☎ 01-626 9081

TO LET

**At Reading, Berkshire.**
**Modern factories/warehouses from 11,000 to 133,000 sq.ft. and no I.D.C. required**
**Also new factories/warehouses from 10,000 to 100,000 sq.ft. subject to I.D.C.**

Lyon offer excellent modern factories/warehouses. You can move in now without an I.D.C. Alternatively Lyon will construct new factories/warehouses to your specifications, subject to I.D.C., on their 15-acre industrial estate just ½ mile from the centre of Reading. Due to its excellent communications, it is an ideal location for companies looking for premises for manufacturing or distribution purposes in the South of England.




**NEW ACCESS ROAD**
The estate lies between the A33 Basingstoke road and the A4 Berkley Avenue. A new access road is being extended from Rose Kiln Lane, which will run right across the middle of the estate.

**EXCELLENT COMMUNICATIONS**
● Strategically placed to take advantage of a first class roadway system ● 2 miles from M4 motorway ● 17 miles from Basingstoke ● 27 miles from Oxford ● 39 miles from the centre of London ● 23 miles from London Airport.

Joint Agents: Martin & Pole, 23/24 Market Pl. Reading Tel: 50266
King & Co., 1 Snow Hill London EC1A 2DL Tel: 01-236 3000

**Introducing Agents will be fully retained.**

For further information contact: Graham Price, Lyon Group Ltd, Lyon Tower, Colliers Wood, London S.W.19. Tel: 01-540 8233

**Lyon at Reading**
LYON-EUROPE'S LEADING INDUSTRIAL DEVELOPMENT GROUP

**Broadheath, Altrincham, Cheshire**
1st class single storey freehold industrial premises
**12,538 sq. ft. on site of 3,351 sq. yds.**

in excellent location for Motorway system

1,985 sq. yds. additional development land

**kenyons**
Television House, Mount Street, Manchester M2 5WT.
Telephone 061-832 3647

# KENSINGTON OFFICES TO LET

**16430 sq. ft.** Entire Floor with lift, central heating and attractive entrance hall

**ANTHONY LIPTON & CO.**
13, STANHOPE GATE, PARK LANE, LONDON, W1J 6JP
Tel. 01.499 8666.

**GOLDSTEIN LEIGH ASSOCIATES**
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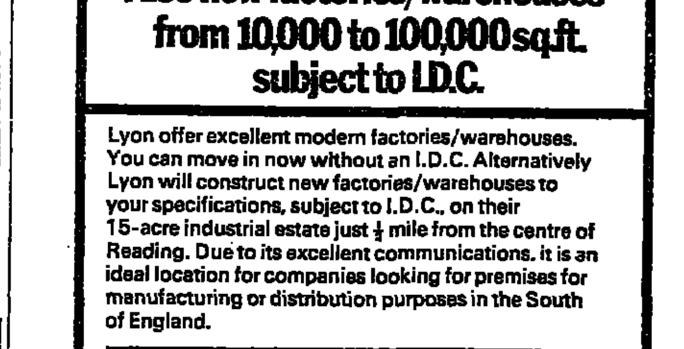

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WALL STREET + OVERSEAS MARKETS

# Firmer tendency on oversold position

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Sept. 30.

A FIRMER TENDENCY developed on Wall Street to-day, when the trading pace quickened to its best level of the week.

The Dow Jones Industrial Average rose 3.36 to 887.19 and the NYSE All Common Index put on 25 cents to $54.33, while gains led declines by 801-to-565. Volume expanded by 4.81m. shares to 13.49m., compared with the 8.68m. on the Jewish holiday.

The rise was due more to a technical bounceback from an oversold position, rather than to any dramatic change in market psychology, analysts said.

The Stock Market still has to contend with the same economic uncertainties it has faced the past few weeks, and analysts doubt that any "meaningful" advance can occur until the Nixon Administration further amplifies its Phase Two economic policies to follow the wage price freeze.

Also still unresolved is the International monetary situation.

Issues that finished higher included Steels, Chemicals, Oils, Retailers, Airlines, and Drugs. But Motors and Golds tended lower.

Blue Chips turned in a mixed performance. Dupont moved up $1½ to $154¼, Westinghouse improved $⅝ to $96½, General Electric advanced $1¼ to $61½, Jersey Standard rose $1⅜ to $72 and Woolworth rallied $1 to $49.

American Telephone were active and climbed $⅜ to $42⅛—its Western Electric Division received an almost $500m. contract for work on the ABM system.

Alcoa fell $2½ to $45¼—it has been under pressure since Kaiser Aluminum cut its dividend, and projected a poorer trend for the Aluminum industry.

Union Carbide fell $1¼ to $43⅜, when it said its third quarter net would be around 15 cents per share lower than last year's.

One of the hardest hit issues of the day was Electronic Data System, which dropped $7¼ to $49⅝ on adverse Press comment questioning its billings on the Medicare programme.

In the computer sector, Control Data recovered $1¼ to $46⅜, following its losses brought about by its announcement of plans for a possible equity offering.

The American SE closed slightly higher and the Index gained 9 cents to $525.42 in a volume of 3.8m. (2.12m.) shares

Asamera Oil, up $1⅛ to $17⅞, had the best gain on the active list, testing out two new Indonesian wells.

Canadian Tire were lifted $2 to $33¼. Great West Life Assurance advanced $1⅞ to $45 and Rothman's Pall Mall jumped $1⅞ to $11⅞. Electrohome were up $1¼ to $38¼.

GERMANY — Markets moved generally higher in active dealings, although profit-taking pared some initial gains. Banks were very firm, except Commerzbank which were well maintained ahead of trading to-day in the Rights.

Leading Chemicals and Electricals gained up to DM3. Motors and Engineerings were mixed, with Volkswagen easier.

Public Bonds moved higher, while Foreign Mark Bonds were little changed.

SWITZERLAND—Markets eased slightly, although leading Banks were well maintained.

Alusuisse Registered, BBC and Swissair were depressed. Financials and Insurances were little changed in limited trading.

State Bonds rose up to ½ point in somewhat livelier trading.

Dollar stocks were irregularly lower. In otherwise higher Dutch Internationals, Philips eased, while Germans closed steady to firmer.

MILAN—Generally firmer in increased activity. But many prices were below the day's highs. Buildings, Rails and some "minor" issues were active.

Properties, Papers and Chemicals were higher.

Among market leaders, Fiat, Snia Viscosa and Italcementi each gained ground, but Montedison and Generali were each easier. Bastogi lost Lire 32 to 2,100.

Bonds were well maintained in modest dealings.

AMSTERDAM — Internationals eased. Royal Dutch, however, edged higher.

Local Industrials were mixed in limited activity. Heinekens reacted Fls.3.5 and OCE-Van der Grinten came back Fls.5.5. Plantations and Shippings were mixed, most Insurances advanced, Investment Funds eased, Banks gained some ground.

State Loans lost part of Wednesday's sharp gains.

BRUSSELS — Prices tended firmer but trading slackened after an active opening.

Sofina, Sidro, Solvay, Cockerill and Gevaert each gained. Ebes rose Frs.10 on its capital increase proposal.

Petrofina and Vieille Montagne each eased.

Foreign stocks were irregularly higher, with Royal Dutch and Philips easier. Golds held barely steady.

PARIS—Prices were again lower. Rhone Poulenc declined Frs.10, Aquitaine rose Frs.3 and CSF were firm on provisionally higher half-year earnings for each. Easier sectors included Motors and Rubbers, Stores, Oils and Chemicals were lower.

Electricals were narrowly mixed with Cie de Singnaux higher but LMT were lower. Banks, Financials and Investments were easier.

Foreign stocks also were slightly easier. Germans were firm, Americans mixed, Dutch and Belgians were easier.

OSLO—Banks and Insurances were barely steady, Industrials easier and Shippings slightly lower.

VIENNA—Recent improvement was extended. Chemicals were firm, Banks little changed.

COPENHAGEN — Mixed in moderate trading.

STOCKHOLM—Irregular trend.

TOKYO—Market continued to gain moderate ground in fairly active trading. Volume 150m. (240m.) shares.

Reports that Prime Minister Eisaku Sato instructed the Finance Ministry to work on a plan for income-tax cuts created some interest in Foodstuffs, Housings, and other Consumption-related issues.

Morinaga Confectionery added Yen 18 at 204, Meiji Confectionery Yen 12 at 239 and Yamazaki Bakery Yen 7 to 239.

Nippon Fisheries were up Yen 12 at 167 and Kyokuyo Hogei up Yen 4 at 102.

Department Stores were also higher, with Tokyo Department Store rising Yen 14 to 232 and Aimaru Yen 3 to 203.

Some Private Railways, Oils and others which led the recent upswing, declined on profit-taking.

AUSTRALIA — Mines moved back over a wide front, with "heavyweights" again most affected. Oils were generally weaker while Industrials were variable.

Among "heavyweights," CRA lost 7 cents to $5.85, and Peko Wallsend 30 cents at $6.60 after $6.30.

Broken Hill South shed 7 cents at $2.17, WMC fell 22 cents to $2.37, Metals Exploration 10 cents to $3.10 and Hamersley 12 cents to $2.45. New Broken Hill added 10 cents at $8.80 and Bougainville were 2 cents firmer at $2.35.

Poseidon weakened $1.50 to $14.50.

Uraniums came back, with Queensland Mines down 20 cents at $4 and Kathleen Investments 15 cents at $2.85. Pancontinental traded unchanged at 68 cents.

Among Oils, Woodside were off 1 cent at $1.04, after 93 cents, while Mid East eased 2 cents to 75 cents, after 70 cents. Bridge weakened 3 cents to 30 cents despite the further gas flow from the Fly Number 1 well.

Among Industrials, James Steadman were lifted 18 cents to $2.20 on increasing support, while Lifesavers added 5 cents at $1.90. Swift lost 5 cents to $1.60.

National Bank added 8 cents at $3.28 but Bank New South Wales declined 12 cents to $5.60.

JOHANNESBURG—The market was subdued, with an all-round lack of interest. Platinums were mixed, Golds quiet. Financial Minings softer.

There were scattered losses in Industrials.

● LANTOR, of Great Britain, said it has increased to 75 per cent. from 50 per cent., its ownership of Firet NV, a Dutch producer of non-woven textiles. The additional 25 per cent. interest was purchased from Koninklijke Nederlandise Textiel-Unie (KNTU), for about £½m. Remaining 25 per cent. of Firet is owned by Ten Cate, of the Nederlands. Lantor is jointly owned by English Calico and West Point Pepperell Inc. of the U.S.

## OTHER MARKETS

### Canada rallies

Canadian Stock Markets staged a good rally in moderate trading yesterday. Banks moved up 3.37 on index. Western Oils advanced 2.46, Industrials improved 1.67, Utilities gained 1.35 and Papers firmed 0.08. But Golds declined 0.74 and Base Metals lost 0.25.

# Indices

## NEW YORK

### DOW JONES AVERAGES

| Close | Home Bonds | Transport ‡ | Indus. * | Util. Φ | Trading volume† 000's |
|---|---|---|---|---|---|
| Sept. 30 | 71.10 | 237.12 | 887.19 | 109.31 | 13,490 |
| 29 | 71.06 | 235.67 | 883.83 | 109.28 | 8,680 |
| 28 | 71.06 | 236.01 | 884.42 | 109.38 | 11,250 |
| 27 | 70.89 | 234.77 | 883.47 | 109.18 | 10,220 |
| 24 | 70.95 | 237.01 | 889.31 | 108.50 | 13,460 |
| 23 | 70.89 | 238.71 | 891.38 | 109.69 | 13,250 |
| 22 | 70.99 | 239.91 | 893.56 | 109.89 | 14,250 |
| 21 | 71.02 | 241.12 | 903.40 | 110.78 | 10,640 |
| 30 | 71.28 | 241.65 | 905 15 | 110.94 | 9,540 |
| 1971 High | 71.98 (6/4) | 248.33 (7/9) | 950.82 (28/4) | 128.39 (19/1) | — |
| Low | 68.52 (4/1) | 189.70 (4/1) | 830.57 (4/1) | 109.18 (27/9) | — |

* All-time high 995.15 (9/2/66)
‡ All-time high 279.88 (7/2/69)
Φ All-time high 163.22 (30/4/65)
† Excluding bonds.

### IND. DIVIDEND YIELD p.c.

| Sept. 24 | Sept. 17 | Sept. 18 1970 |
|---|---|---|
| 3.55 | 3.47 | 4.24 |

### N.Y. SE ALL COMMON INDEX

Dec. 31, 1965=50

| 1971 High | 1971 Low | Thurs | Wed. | Tues. | Mon. | Fri. |
|---|---|---|---|---|---|---|
| 57.78 (28/4) | 49.73 (4/1) | 54.55 | 54.08 | 54.08 | 55.96 | 54.26 |

### RISES AND FALLS

| Issues traded | Up | Down | Unchanged |
|---|---|---|---|
| 1,665 | 801 | 565 | 302 |

| 1970/71 | Thurs. | Wed. | Tues. | Mon. | Fri. |
|---|---|---|---|---|---|
| New Highs | 31 | 18 | 9 | 9 | 17 |
| Lows | 46 | 60 | 51 | 66 | 37 |

### AMERICAN SE ALL STOCKS AVERAGE

| 1971 High | 1971 Low | Thurs | Wed. | Tues. | Mon. | Fri. |
|---|---|---|---|---|---|---|
| 26.69 (28/4) | 22.72 (4/1) | 25.42 | 25.53 | 25.51 | 25.28 | 25.35 |
| Volume (000's) | | 5,840 | 2,120 | 5,020 | 2,490 | 2,900 |

### STANDARD AND POORS U.S. STOCK INDICES

| | *Industrials | †Composite |
|---|---|---|
| Sept. 30 | 108.73 | 98.34 |
| 29 | 108.25 | 97.90 |
| 28 | 108.23 | 97.88 |
| 27 | 107.88 | 97.62 |
| 24 | 108.51 | 98.13 |
| 23 | 108.74 | 98.38 |
| 22 | 108.55 | 98.47 |
| 1971 High | 115.84 (25/4) | 104.77 (25/4) |
| 1971 Low | 99.73 (4/1) | 91.15 (4/1) |

* 425 Industrials. † 425 Industrials, 50 Utilities and 25 Rails. (1941=10.)

### STOCK AND BOND YIELDS

| | Sept.30 | Sept.22 | Sept.30 1970 |
|---|---|---|---|
| Industrial div. yield pc | 2.91 | 2.99 | 3.54 |
| Price-earning ratio | 17.48 | 17.57 | 15.87 |
| Long-term Govt. Bds. yields pc | 5.81 | 5.86 | 6.63 |

### MOST ACTIVE STOCKS

| | Shares trading | Closing price | Change on day |
|---|---|---|---|
| Union Carbide | 639,300 | 43⅜ | −1¼ |
| Electronic Data | 243,500 | 49⅝ | −7¼ |
| Amer. Tel. and Tel. | 223,200 | 43⅛ | +⅜ |
| Woolworth | 164,100 | 49 | +1 |
| Braniff Airways | 152,300 | 13⅜ | +⅜ |
| Sony | 114,100 | 17⅜ | −⅛ |
| RCA | 110,500 | 36⅜ | — |
| Alcoa | 103,500 | 45¼ | −2½ |
| Alberto Culver | 101,000 | 31½ | +1¼ |
| Pan Amer. Air. | 95,900 | 10⅛ | — |

## TORONTO

### INDUSTRIAL INDEX

| Sept. 20 | Sept. 29 | 1971 High | 1971 Low |
|---|---|---|---|
| 169.88 | 168.21 | 188.74 (2/1) | 168.21 (29/9) |

## MONTREAL

### INDUSTRIAL INDEX

| Sept. 20 | Sept. 29 | 1971 High | 1971 Low |
|---|---|---|---|
| 175.75 | 174.31 | 188.89 (20/4) | 174.31 (29/9) |

### COMBINED INDEX

| | | | |
|---|---|---|---|
| 174.75 | 173.12 | 184.05 (30/4) | 172.85 (22/2) |

## JOHANNESBURG

| | Sept. 30 | Sept. 29 | High | Low |
|---|---|---|---|---|
| Industrials | 171.1 | 172.3 | 212.4 (9/4) | 168.8 (3/1) |
| Golds | 70.3 | 71.7 | 89.3 (19/4) | 70.2 (1/9) |

(1938=100.) Source: Rand Daily Mail.

## AUSTRALIA

### MELBOURNE YIELD INDICES

| Av'ge yield on 50 Leading Stocks | Sept. 30 | Sept. 23 | Sept. 16 |
|---|---|---|---|
| On Dividends | 5.77 | 5.76 | 5.75 |
| On Earnings | 9.77 | 9.71 | 9.59 |

### SYDNEY ALL ORD. INDEX

| Sept. 30 | Sept. 29 | High 1971 | Low 1971 |
|---|---|---|---|
| 433.90 | 436.50 | 518.51 (4/1) | 433.90 (30/9) |

## TOKYO

### NEW SE INDEX

Base=100 January 4, 1968.

| Sept. 30 | + or − | Div. % | Yield % |
|---|---|---|---|
| 183.24 | +0.76 | 11.90 | 3.33 |
| 1971 | | High 208.19 (13/8) | Low 148.83 (5/1) |

## EUROPE

| | Sept. 30 | Previous | 1971 High | 1971 Low |
|---|---|---|---|---|
| Belg'm (m) | 96.27 | 95.54 | 106.74 (30/7) | 92.14 (4/1) |
| France (bb) | 69.1 | 70.2 | 79.2 (23/7) | 69.1 (30.9) |
| Germany * | 93.50 | 97.69 | 112.71 (23/2) | 95.84 (21/9) |
| Holland (o) | 107.8 | 107.6 | 128.0 (6/4) | 106.7 23/9 |
| Italy † | 46.16 | 46.17 | 60.09 (6/3) | 45.29 (28.9) |
| Sweden (p) | 269.40 | 269.91 | 292.71 (23/6) | 242.71 (6/1) |
| Switz'rl'd ** | 380.1 | 381.6 | 412.9 (10/9) | 305.5 (4/1) |

* Herstatt Index. † Base amended to January 2, 1962, from December, 1958. ** Swiss Bank Corporation Index base 100 December, 1966. (b) Basis 100 December 29, 1967. (c) Closed. (m) Base date amended from 1953 to 1963. (o) Adjusted now quoted on basis 1963=100 and no longer 1953=100. (p) Base date December 29, 1958. (bb) New index introduced by Paris Bourse Committee basis 1961=100.

MONEY + EXCHANGES

# Small assistance

Bank Rate 5% (Sept. 2, 1971)

The Discount houses balanced their books yesterday with a small amount of assistance from the authorities, who bought Treasury bills, and to a smaller extent local authority bills, from the houses. Transfers of funds on oil account were against the market's favour, as was a net Treasury bill take-up, while revenue transfers to the Exchequer exceeded Government disbursements. Restricting the shortage to some extent was the fact that some banks were able to run down the previous day's balances with the Bank of England.

A rate of 4¾ per cent. to 5 per cent. was paid commonly for secured day-to-day loans, but some balances were found at 4½ per cent.

In the inter-bank market, overnight loans were at 5¼-5¾ per cent. for a good part, but in the later stages reached 5½ per cent., and levels as high as 6 per cent. to 6½ per cent.

| Sept. 30 | Sterling certificates of deposit | Inter-bank | Local Authority deposits* | Local Auth. negotiable bonds | Finance house deposits | Inter-company loans | Discount market deposits | Treasury bills Φ | Bank bills Φ | Fine trade bills Φ |
|---|---|---|---|---|---|---|---|---|---|---|
| Overnight | — | 6¼-6½ | 5¼-5⅝ | — | — | 5⅜-5¾ | 4¾-5 | — | — | — |
| 2-days notice | — | — | 5⅛-5½ | — | — | 5½-5¾ | — | — | — | — |
| †7-days or 7-days notice | — | 5¼-5⅝ | 5¼-5½ | — | 5¼-5⅜ | 5½-5¾ | 4⅞-5⅛ | — | — | — |
| One-month | 5⅜-5¼ | 5⅛-5⅜ | 5¼-5⅜ | 5⅛-5¼ | 5¼-5⅛ | 5⅝-5¾ | — | 4.70-75 | [illegible] | — |
| Two-months | 5⅜-5¼ | 5⅛-5⅜ | 5¼-5⅜ | 5⅛-5⅛ | 5¼-5⅛ | 5⅝-5¾ | — | 4.73-76 | [illegible] | — |
| Three-months | 5⅜-5¼ | 5⅛-5⅜ | 5⅜-5⅛ | 5⅛-5¼ | 5⅜-5⅛ | 6¾-6 | — | 4.75-77 | [illegible] | 5¼-5⅛ |
| Six-months | 5⅛-5⅛ | 5⅛-5⅛ | 5½-5⅝ | 5½-5⅝ | 5½-5⅜ | 5⅞-6¼ | — | — | [illegible] | 5⅛-5⅜ |
| Nine-months | 5⅞-5⅞ | 5⅛-5⅝ | 5½-5¾ | 5⅝-5⅞ | 5⅝-6⅛ | 6¼-6½ | — | — | — | — |
| One-year | 5¾-5⅝ | 5⅝-5⅞ | 6-6⅛ | 5¾-5⅞ | 6-6⅜ | 6½-7 | — | — | — | — |
| Two-years | 6⅛-6⅛ | 6¼-6⅜ | 6¾-6⅞ | 6½-6⅛ | 6¾-7 | — | — | — | — | — |

† Local authorities and finance houses seven-day notice, other seven-days fixed. * Nominal longer term mortgage rates three-years 7¼-7⅝ per cent., four-years 7¼-7⁹⁄₁₆ per cent., and five-years 7¼-7¹¹⁄₁₆ per cent. Φ Bill rate in table are buying rates for prime paper. Buying rate for 4-month bank bills 4²⁹⁄₃₂-4¹⁵⁄₁₆ per cent., and for 4-month trade bills 5¼-5⅜ per cent. Approximate selling rate for 1-month Treasury bills 4⅝-4¹¹⁄₁₆ per cent., for 2-month 4²¹⁄₃₂-4¹¹⁄₁₆ per cent., and for 3-month 4¹¹⁄₁₆ per cent. One to three month bank bills eligible for re-discount at the Bank of England were quoted for sale in places at 4⅞-5 per cent. and one to three month trade bills at 5-5½ per cent.

Finance House Base Rate (published by the Finance Houses Association) 6½ per cent. from August 2 (6⅞ from to-day). Clearing banks' deposit rate 3 per cent., and Base Rate for lending 5 per cent.

## EXCHANGES AND BULLION

Sterling was a little firmer against the U.S. dollar in London inter-bank dealings, closing at $2.4851-2.4854, after spasmodic bursts of activity. Once again, there was a late demand for sterling, which opened at about $2.4840, and was fairly close to this level until the early afternoon. Short-term Eurodollar rates were softer. The three-month pound eased to 1.16½ cents premium, the six-month to 1.46½, and the 12-month to 1.25. The dollar was generally weaker against major currencies.

Gold was fixed at $42.47½ (£17.097) an ounce in London in the morning, and at $42.60 (£17.144) in the afternoon. A certain speculative interest was seen early-on, but the statement by the U.S. Treasury Secretary, Mr. John Connally tended to depress the market, and the closing quotation was $42.40-42.60, for a net loss of 15 cents. Gold coins were generally slightly cheaper, with new sovereigns at $10.80-10.90, and old at $12.85-12.95, while double Eagles were at $65-$66, single at $34¼-35¼, and half at $27¼-28¼, with 20-mark pieces at $24½-25½. In Zurich, gold ended at $42.60-42.80, down 5 cents on the day. In Paris, the 12½-kilogramme gold bar was fixed at Frs.7,410 a kilogramme ($42.68 an ounce at the financial franc exchange rate) at noon, and at Frs.7,426 ($42.77) in the afternoon. The 1-kilogramme ingot was fixed at Frs.7,435 ($42.83 an ounce). Turnover at the Bourse meeting was Frs.3.2m. Hong Kong lowered gold 58 U.S. cents an ounce to $43.76.

## EXCHANGE CROSS-RATES

| Sept. 30 | Frankfurt | New York | Paris (c) | Brussels | London | Amsterdam | Zurich |
|---|---|---|---|---|---|---|---|
| Frankfurt | — | 3.5165 65 | 59.85-95 | 7.045-055 | 8.238-239 | 98.35-45 | 83.83-05 |
| N. York | 30.16-17 | — | 18.09-095 | 2.1273 85 | 2.4851-4856 | 29.605-715 | 25.295 325 |
| Paris (c) | 166.80 .55 | 5.5295-305 | — | 11.763-770 | 13.735-745 | 164.25-35 | 140.015-115 |
| Brussels | 14 18-21 | 47.01 04 | 8.501¼-¾ | — | 116.70-85 | 13.94¾-95¼ | 11.89½ 90½ |
| London | 8.23½-24½ | 2.48⅞-⅞ | 13.72¾-73¾ | 116.70-95 | — | 8.56½-57½ | 9.51½-52½ |
| Am'd'm | 101.63 68 | 3.571⅛-⅝ | 60.98-.03 | 7.171⅛-⅝ | 8 37 ½ | — | 85.29½-34½ |
| Zurich | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | — |

U.S. $ on Montreal 1.00[illegible]. Canadian $ on New York 0.9910-9913. (c) Commercial.

## EURO-CURRENCY INTEREST RATES ◇

| Sept. 30 | Sterling | U.S. dollar | Canadian dollar | Dutch guilder | W. German mark | Swiss franc |
|---|---|---|---|---|---|---|
| ‡Short-term | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 7-days' notice | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Month | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Three-months | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Six-months | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| One-year | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

Longer-term Eurodollar deposit rates were quoted nominally as follows: two-years [illegible] per cent., three-years [illegible] per cent., four-years [illegible] per cent. and five-years [illegible] per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one-month [illegible], three-months [illegible], six-months [illegible], one-year [illegible].

◇ Rates are in some cases nominal.
‡ Short-term rates are call for Sterling, U.S. dollars and Canadian dollars, and two-days' notice for Guilders, Marks and Swiss francs.

## FOREIGN EXCHANGES

| Sept. 30 1971 | Bank Rate % | Day's Spread | Close |
|---|---|---|---|
| New York | 5 | [illegible] | [illegible] |
| Montreal | 6¼ | [illegible] | [illegible] |
| Amst'dam | 5 | [illegible] | [illegible] |
| †Brussels | 5½ | [illegible] | [illegible] |
| Copenh'gn | 7½ | [illegible] | [illegible] |
| Frankfurt | [illegible] | [illegible] | [illegible] |
| Φ Lisbon | [illegible] | [illegible] | [illegible] |
| Madrid | [illegible] | [illegible] | [illegible] |
| Milan | [illegible] | [illegible] | [illegible] |
| Oslo | [illegible] | [illegible] | [illegible] |
| ‡ Paris | [illegible] | [illegible] | [illegible] |
| Stockh'm | [illegible] | [illegible] | [illegible] |
| Tokyo | [illegible] | [illegible] | [illegible] |
| Vienna | [illegible] | [illegible] | [illegible] |
| Zurich | [illegible] | [illegible] | [illegible] |

Φ The rate given is that quoted in London. Transactions may be possible at a different rate through the Bank of Portugal. † Convertible account. ‡ Rates for Portugal ... [illegible] ... rate [illegible].

### OTHER MARKET RATES

| | | |
|---|---|---|
| Argentina | [illegible] | [illegible] |
| Australia | [illegible] | [illegible] |
| Brazil | [illegible] | [illegible] |
| Greece | [illegible] | [illegible] |
| H'ngKong | [illegible] | [illegible] |
| Luxemburg | [illegible] | [illegible] |
| Malaysia | [illegible] | [illegible] |
| N.Zealand | [illegible] | [illegible] |
| S.Africa | [illegible] | [illegible] |
| U.S. | [illegible] | [illegible] |
| Canada | [illegible] | [illegible] |

† Rates quoted by specialist dealers. Other rates may be quoted elsewhere. * Commercial account. Financial rate not available.

### FORWARD RATES

| | One month | Three months |
|---|---|---|
| New York | [illegible] | [illegible] |
| Montreal | [illegible] | [illegible] |
| Amst'dam | [illegible] | [illegible] |
| Brussels | [illegible] | [illegible] |
| Copenh'gn | [illegible] | [illegible] |
| Frankfurt | [illegible] | [illegible] |
| Lisbon | [illegible] | [illegible] |
| Milan | [illegible] | [illegible] |
| Oslo | [illegible] | [illegible] |
| Paris | [illegible] | [illegible] |
| Stockh'm | [illegible] | [illegible] |
| Vienna | [illegible] | [illegible] |
| Zurich | [illegible] | [illegible] |

# OVERSEAS SHARE INFORMATION

Investment $ Premium (based on $2.40 per £1) 22¼% (22¼%)

## NEW YORK

| Stock | Sept. 30 | Sept. 29 | Stock | Sept. 30 | Sept. 29 | Stock | Sept. 30 | Sept. 29 | Stock | Sept. 30 | Sept. 29 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Crane | 44 | 44 | Ling-T'mco-Vght | 11⅝ | 11¼ | Sterling Drugs | 45½ | 45¼ | Crocker Nat. C.P. | 31⅝ | 31¾ |
| Creole | 21⅝ | 22 | Litton Indus. | 26⅛ | 26⅛ | Studebaker | 51½ | 53½ | Dividend Shares | †3.72 | †3.72 |
| Crowell Collier | 9¾ | 10 | Lockheed Aircr. | 9⅝ | 9⅞ | Sun Oil | 56 | 55⅝ | 1st Nat. Boston | 67¼ | 66⅝ |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

RAILROADS; INDUSTRIALS, ETC.; PUBLIC UTILITIES; TRUSTS, BANKS & BONDS — [illegible]

## TORONTO

[illegible]

## MONTREAL

[illegible]

## GERMANY

| Sept. 30 | Price Dm | + or − | Div. % | Yld. % |
|---|---|---|---|---|
| 6% Fed. Loan (1977) | 91⅝ | +⅜ | 6 | 6.6 |
| A.E.G. Dm.(50) | 155 | +2 | 16 | 5.2 |
| Allianz V'rs Dm50 | 380.5 | +0.5 | 12 | 1.6 |
| Audi NSU (Dm50) | 141.5 | ..... | y— | — |
| B.M.W. (Dm50) | 167.5 | +4.5 | 12 | 3.6 |
| Bad Anilin (Dm50) | 132.8 | +0.8 | 22 | — |
| Bayer (Dm 50) | 132.2 | +1.2 | 16 | 6.1 |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## PARIS

| Sept. 30 | Price Frs. | + or − | Div. Frs. | Yld. % |
|---|---|---|---|---|
| Rentes 3½ | [illegible] | [illegible] | [illegible] | [illegible] |
| Air Liquide | [illegible] | [illegible] | [illegible] | [illegible] |
| Aquitaine | [illegible] | [illegible] | [illegible] | [illegible] |
| BanqueL | [illegible] | [illegible] | [illegible] | [illegible] |
| Beghin | [illegible] | [illegible] | [illegible] | [illegible] |
| Boussois | [illegible] | [illegible] | [illegible] | [illegible] |
| Charter | [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## MILAN; AUSTRALIA; TOKYO; AMSTERDAM; BRUSSELS; SWITZERLAND; STOCKHOLM; OSLO; COPENHAGEN; VIENNA; JOHANNESBURG

[illegible]

NOTES: Belgian dividends are shown after withholding tax. [illegible]

# STOCK EXCHANGE REPORT

# Leading equities drift lower after early technical rally

## Index 4.5 down at 409.2—Reyrolle Parsons' late weakness

**ACCOUNT DEALING DATES**

| Option *First Dealings | Declarations | Last Dealings | Account Day |
|---|---|---|---|
| Sept. 20 | Sept. 30 | Oct. 1 | Oct. 12 |
| Oct. 4 | Oct. 14 | Oct. 15 | Oct. 26 |
| Oct. 18 | Oct. 28 | Oct. 29 | Nov. 9 |

* "New time" dealings may take place from 5 p.m. three business days earlier.

An early technical rally in leading equities quickly faded with buyers still showing no signs of becoming interested and the field was left to small sellers. The approaching week-end, and to-day's close of the Account, were partly responsible for keeping business down and nervousness about the currency situation adversely affected sentiment. In the event, a rise of 0.8 in the Financial Times Industrial Ordinary index at 10 a.m. was quickly eroded and by noon there was a loss of 1.1 which was extended by the close to 4.5 at 409.2. This brings the fall on the week so far to 18.3, or just over 4 per cent.

Reyrolle Parsons became a weak feature in the late trading, falling 36p to 83p on the sharp reduction in profits and omission of the interim dividend. In contrast, Booker McConnell picked up late to 120p, up 6p, on satisfaction with the interim results. Company news also provided a number of features in second-line equities, but the overall trend was downwards again as reflected in the 2-1 ratio of falls-to-rises in all F.T.-quoted Industrials. Bargains marked at 11,052 were slightly lower than Wednesday's 11,977.

The main F.T.-Actuaries indices showed uniform losses of about ½ per cent. as in the Industrial Group, 170.21, 500 Share, 183.65, and All-Share, 181.25.

### Funds react

After a steady to firm start, long-dated issues led British Funds lower again in a fair amount of business and against a rather nervous background. Selling was not heavy but the market was sensitive after the recent strong rise and at the approach of the week-end. Selling appeared to have dried up by the early afternoon and prices later drifted lower in quiet trading to close with widespread losses extending to a full point; this left them up to about £2 below the four-year peaks recorded at last Monday's close. The long "tap" stock, Treasury 8¼ per cent., came back ½ to 96¼, which is 1½ below the official price. Mediums closed ⅛ to ½ lower and undated stocks were ⅜ or ½ lower with War Loan at 41⅞. Overshadowed by the long end of the market, short-dated maturities closed with minor rises in places but mostly unchanged on the day.

Corporations were featured by the big turnover which developed in first-time dealings in Birmingham 8 per cent.: the £10 paid stock opened at 10⅜, shot up to 11 and closed at 10⅞. Other Corporation issues, particularly at the long end, stayed firm on small buying.

Southern Rhodesia 2½ per cent. jumped to a 1971 peak of 64 on a flurry of buying and ended 5 up at 62 after a large turnover.

A modest early fall in the investment dollar premium was soon recovered and after fair two-way activity the rate at the close was fractionally higher at 22¼ per cent.

### Natl. Westminster down

Business was again lacking in Home Banks, but prices were fairly steady apart from National Westminster which dipped 12p to 552p. Standard and Chartered lost 7p to 316p in Overseas issues. Mainly quiet Merchant Banks were noteworthy for a fresh rise of 10p to 285p in Leopold Joseph. Bryanston Finance, however, receded 9p to 66p. Hire Purchases were looking steadier, but First National Finance ended 10p down at 332p following the half-year results. In contrast, Refuge Securities gained 4p to 60p.

After Wednesday's setback, Composite Insurances and brokers were narrowly mixed yesterday, but Life Offices were still generally easier. Equity and Law lost 10p to 310p and Refuge "B" 6p to 180p, the latter after the interim announcement. Leslie and Godwin closed 15p lower at 360p, after 355p, following the previous day's 42p drop on the interim statement.

Breweries became a steadier market, but Watney Mann shed 3p more to 149p. Distillers, at 154p, were also 3p down, but Tomatin rallied 3p to 87p after recent dullness on the interim statement. Following the respective results, Macallan Glenlivet held at 153p and IDV eased 1p to 66p. After the previous day's rise of 10p, Williams and Humbert spurted 26p to 108p on the bid approach.

Building issues moved irregularly and closed little changed. Bovis improved 4p to 214p in response to Press comment, while Truscon rose 5½p to 28¼ on the recommended bid, worth 27p a share cash, from Ionian Bank. Limmer were 2½p better at 34p on the bid from Tarmac, 2p easier at 236½p. Despite the increased interim dividend and profits, Ready Mixed Concrete eased 1p to 142½p.

Following a reduced turnover, ICI closed 1p off at 311p. Holt Products fell 3p to 33p; the interim figures are overdue.

In response to the first-half return to profitable trading, Scottish Television "A" jumped 12p to 60p in a big turnover. Anglia TV "A," in sympathy closed 8p higher at 147p.

### Reyrolle slump

Reyrolle Parsons slumped in the "after-hours" trading to 83p, down 36p on the day, on news of the interim dividend omission and the sharply reduced first-half profits. G.E.C. eased 2p to 149p, while EMI, ahead of next Thursday's results, were similarly lower at 140p. Amsterdam talk of a new Convertible issue from Philips' Lamp left the shares 15p down at 530p. Elsewhere, Telefusion lost 5p to 240p and Aerialite 3p to 94p, but Decca, at 212p, recouped 4p of the previous day's 10 fall, while Sound Diffusion added 3p at 28p. Dowding and Mills closed 2½p better at 45p on the increased dividend and profits. Farnell Electronics gained 8p to 216p; the interim figures are due shortly.

Stores moved lower under the lead of "Gussies" "A," 414p, and Marks and Spencer, 302p, both 13p down; the latter's interim results are due soon. Ramar Textiles eased 3½p to 6¾p on the dividend omission and lower profits, while losses of 9p and 11p respectively were seen in British Home Stores, 232p, and Debenhams, 221p. Goodman Bros. and Stockman, however, picked up 3p at 21p on the more than doubled profits. In generally steady Mail Orders, Empire Stores reacted 7p to 323p. In Shoes, Stylo improved 6p to 55p, while Hiltons Footwear put on 4p to 100p following the interim figures.

Trading announcements were given contrasting receptions in the Engineering section. On the lower interim profits and second-half warning, Morgan Crucible came back to 106p before a close of 108p, a net 9p loss, and Woodall-Duckham lost 6p at 83p, after 77p, despite the increased half-yearly results and encouraging statement. Delta Metal, however, rose 4p to 105p and Clarke Chapman recovered from a low early price of 74p to close 1½p up on balance at 79p following their respective first-half achivements. Losses of 5p to 8p were marked against Ransomes Sims, 110p, F. Pratt, 50p, and Mather and Platt, 65p, but speculative interest in a restricted market raised Macready's Metal 11p to 75p, after 80p.

### Late rally in Booker

Booker McConnell, a shade easier at 113p ahead of the interim results, rallied to 120p for a net gain of 6p on the after-hours' news. Grampian picked up late on the interim dividend news and ended 1p off at 49p after 47p. Barclays Securities, however, lost 5p to 148p after the interim results, while further consideration of the profits warning left Doulton 7p lower at 57p. English China Clays were down 6½p at 89½p, a "low" for the year. Wheelock Marden, down to 170p at one stage, picked up following the preliminary figures and proposed scrip issue but closed with a net loss of 10p at 175p. Other Hong Kong shares were dull with Jardine Matheson 20p off at 335p, and Hutchison International 10p lower at 242p. Losses of between 13p and 15p were sustained by Beatson Clark, 143p, Berwick Timpo, 222p, and Hay's Wharf, 335p. In spite of increased profits for the first half-year, BBA Group declined 2½p to 121½p. Bright spots were seen in Beautility, 4p higher at 131p, Kleeman Industries, 10p up at 310p, and De La Rue, 6p better at 223p.

Following news of the proposed scrip issue and increased dividend and profits forecast, Clover Dairies advanced 10p to 173p. Rowntree Mackintosh, still reflecting the interim figures, put on 5p more at 625p. Associated Biscuits jumped 15p to 357p, but falls of 5p and 6p respectively were seen in Cliffords Dairies, 125p, and Reckitt and Colman, 278p. J. B. Eastwood eased 4p to 50p on the fowl pest warning, while Meat Trade Suppliers, reflecting the dividend cut and profits setback, dipped to 50p before rallying to close 6p lower on balance at 54p.

J. Lyons "A" hardened 6p more to 556p. Isle of Man Holiday Centre, however, following Wednesday's rise of 10p on the acquisition of a one-third stake by Mr. K. C. Nicholson, reacted 4p to 31p.

Leading Motor Components resisted the general trend, Lucas gaining 5p to a "high" for the year of 292p and Dowty improving 2p to 135p. Kettering Motor, however, shed 6p more at 124p and the car-makers also turned lower with British Leyland relinquishing Wednesday's 1½p rise at 45½p. In Garages, Henlys closed 5p off at 148p and Godfrey Davis 4p lower at 163p. Kenning Motor dipped 10p to 85p following the second-half slow-down which was due mainly to non-recurring factors. Helped by the West Country acquisition, George Clarke advanced 2p to 32p.

Properties retained a soft undertone with leading issues 1p or 2p cheaper and Oddenino's down an exceptional 8p at 330p. Great Portland gave up another 5p at 270p, but demand persisted for Argyle Securities, up 8½p more at 107p. Following the higher profits and proposed scrip issue, Wingate Investments hardened 2p to 100p.

In Newspapers, News International were again popular and rose 7p further to 225p; the non-voting shares gained 4p to 216p. Responding afresh to the increased first-half results, United closed 5p higher at 270p. Papers were featured by a sharp 17p reaction to 35p in Reed and Smith after the interim figures shock.

### Oils lose ground

Oils bowed to the general trend, shedding small early gains to close at the day's lowest levels. British Petroleum were finally 8p down at 610p despite the encouraging North Sea possibilities, while Shell, 348p, and Burmah, 430p fell 3p apiece. Trinidad Canadian ran into profit-taking and lost 5p at 163p. In small trading, Ultramar drifted 4p lower to 294p.

Shippings eased in quiet trading, but a firm spot was provided by Sheaf Steam, 10p up at 195p.

Trusts were easier, but Triumph, still reflecting Slater Walker's purchase of shares in the company, closed 10p higher at 193p, after 196p. Altifund Capital improved 8p to 232p. Following news of the Goulston Finance acquisition, dealings in Cannon Street Investments Ordinary and 9¼ per cent. Partly Convertible Loan (last quoted at 53½p and 112p respectively) were temporarily suspended at 9.30 a.m. pending publication of particulars of the reorganisation.

Textiles and Tobaccos were generally little changed, but Nova Jersey Knit receded 15p to 250p.

Business remained at a low ebb in Plantations, but Rubbers were fractionally better in places, while Teas displayed a few gains.

### Mines still decline

Some sections of the Mining market were looking a little less jaded than of late although a few fair-sized falls were still to be seen.

Losses were less severe in Australians, however, despite continued weakness on home Exchanges. Poseidon were 25p lower at 700p after a year's low of 650p and Western Mining ended 6p down at 113p after 110p.

A further reaction in the free-market bullion price was reflected in Golds where declines ranged to 30p in West Wits, at 670p, and 25p in Vaal Reefs, at 415p; both prices were 1971 lows and news of the latter company's postponement of the rights issue details until October 13 came after market hours.

In Financials, De Beers rallied 5p to 183p as there was less Cape selling than of late, while RTZ were 2p better at 202p, after 204p. Gold Fields were 2p off at 179p; the company's Wheal Jane Cornish tin mine is being officially opened to-day.

Anglo-Vaal ended 20p lower at 620p. Roan Consolidated, however, put on 5p at 180p and Palabora added 10p at 380p, helped by the modest recovery in the copper price.

News that the fire at Rustenburg was still burning took 3p from Potgietersrust at 88p. Renewed Canadian offerings caused a 20p fall in Tara Exploration at 660p. Elsewhere, in front of the sharp fall in operating profits for the year to last March, Amalgamated Tin eased 2p to 18p.

## FINANCIAL TIMES STOCK INDICES

| — | Sept. 30 | Sept. 29 | Sept. 28 | Sept. 27 | Sept. 24 | Sept. 23 | A Year ago |
|---|---|---|---|---|---|---|---|
| Government Secs. | 78.34 | 78.87 | 78.94 | 79.30 | 78.78 | 78.38 | 70.65 |
| Fixed Interest | 78.21 | 78.36 | 78.39 | 78.48 | 78.28 | 77.66 | 72.98 |
| Industrial Ordinary* | 409.2 | 413.7 | 417.5 | 420.1 | 427.5 | 430.0 | 365.4 |
| Gold Mines | 47.3 | 47.7 | 47.9 | 48.5 | 48.7 | 48.5 | 49.1 |
| Ord. Div. Yield pc | 3.79 | 3.75 | 3.71 | 3.69 | 3.63 | 3.59 | 4.62 |
| Earnings Yield pc (a) | 5.91 | 5.88 | 5.82 | 5.78 | 5.69 | 5.66 | 6.58 |
| P.E. Ratio (a) | 16.93 | 17.01 | 17.17 | 17.30 | 17.57 | 17.67 | 15.67 |
| Dealings Marked | 11,052 | 11,977 | 13,118 | 12,714 | 11,677 | 10,440 | 9,079 |

*10 a.m. 414.5 11 a.m. 414.0 Noon 412.6 1 p.m. 411.7 2 p.m. 411.0 3 p.m. 410.3

(a) Based on 40% corp. tax from March 30, 1971. Latest Index 01-[illegible]

### HIGHS AND LOWS

| — | 1971 High | 1971 Low | Since Compilation High | Since Compilation Low |
|---|---|---|---|---|
| Govt. Secs. | 79.30 (27/9/71) | 68.83 (4/1/71) | 127.4 (9/1/35) | 64.21 (11/6/63) |
| Fixed Int. | 78.48 (27/9/71) | 69.63 (4/1/71) | 150.0 (28/11/47) | 67.12 (11/6/63) |
| Ind. Ord. | 430.8 (7/9/71) | 305.3 (3/3/71) | 521.9 (19/9/68) | 49.4 (26/6/40) |
| Gold Mines | 61.3 (19/5/71) | 47.3 (30/9/71) | 100.0 (12/9/55) | 44.0 (13/1/70) |

### S.E. ACTIVITY

| — | Sept. 30 | Sept. 29 |
|---|---|---|
| Daily— | | |
| Gilt-Edged | 197.0 | 221.4 |
| Industrials | 391.8 | 427.9 |
| Speculative | 165.4 | 186.2 |
| Totals | 251.6 | 273.6 |
| 5-day ave— | | |
| Gilt-Edged | 234.7 | 236.6 |
| Industrials | 431.2 | 425.0 |
| Speculative | 171.2 | 161.3 |
| Totals | 275.6 | 272.8 |

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942.

## OFFSHORE AND OVERSEAS FUNDS (p★★★)

§ Yield %

**Albany Management Co. Ltd.**
Utility Hs. PO Box 463, Hamilton, Bermuda
Albany Fund Ltd. £5.02 £5.41 ...... 1.00

**American Express Inv. Mngmt. Co.**

**Anchusa Co. Ltd.**
P.O. Box 195, Hamilton, Bermuda.

**Eurosyndicat Group**
Eurounion Lux F.. 1.755 1.825 ...... 3.45
Finance Union Lux F. 479 498 ...... 3.41

**Jardine Fleming & Co. Ltd.**
22, Pedder Street, Hong Kong.
JardineEast'nFd† HK$130.48 ...... 5.07
NAV Aug. 31. Next sub. day —
Jardine Japan F. HK$131.84 ...... 1.52

**Save & Prosper Distributors Ltd.**
P.O. Box 1434, Hamilton, Bermuda.
Dollar Fund ....... £4.87 5.32 ...... —
Hampstead ........ £6.23 6.81 ...... —
‡Monitor ........... £4.45 4.86 ...... —
S. & P.J.J.F. ....... US$12.71 13.89 ...... —
Sterling Fund ...... £4.55 4.97 ...... —

## AUTHORISED UNIT TRUSTS (p★★★)

## INSURANCE, PROPERTY, BONDS

# STOCK EXCHANGE DEALINGS from the Official List for Sept. 30

| | | | | | |
|---|---|---|---|---|---|
| Thursday, September 30 ......... | 11,052 | Tuesday, September 28 ........... | 13,118 | Friday, September 24 ........... | 11,677 |
| Wednesday, September 29 ...... | 11,977 | Monday, September 27 ........... | 12,714 | Thursday, September 23 ......... | 10,440 |

The list below gives the prices at which bargains done yesterday by members of the London Stock Exchange were recorded in the Stock Exchange Daily Official List. Members are not obliged to mark bargains except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business was done.

Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ⊕ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

## BRITISH FUNDS, ETC. (915)

## CORPN. & COUNTY—U.K. (198)

## PUBLIC BOARDS, ETC.—U.K. (35)

## COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (56)

## COMMONWEALTH CORPN. STOCKS (3)

## FOREIGN STKS., BDS., ETC. (11)

## U.K. AND COMMONWEALTH RAILWAYS (18)

## FOREIGN RAILWAYS (8)

## BANKS & DISCOUNT COS. (369)

Alexanders Discount 315⊕ 300⊕
Allied Irish Banks 525⊕ 5
Australia New Zealand Bkg. 259 60 55
Bank of Ireland 420 10 12 15
Bank of Montreal (Recog. Mkg. Names) ($C2) 785⊕ 90
Bank of N.S.W. (Lond. Reg.) ($A2) 328 30
Bank of Scotland (Gov.) 520 10 16
Barclays Bank D.C.O. 524. 7½pcLn. 85½
Barclays Bank 556⊕ 8 62 6 60‡ 60 56‡ 64 58‡. 8¼pcLn. 97 ¼
Brit. Bank Commerce (25p) 95
Burston Group (25p) 99⊕
Canadian Imperial Bank Commerce (Recog. Mkg. Names) ($C2) £11.61⊕ 11.70



## BREWERIES & DISTILLS. (324)

## CANALS & DOCKS (10)

## COMMERCIAL, INDUST. (6,268)

### A—B

Bonochord (5p) 16¼ ½
Booker McConnell (50p) 114½⊕ 14 15 16 14½
Boosey Hawkes (25p) 210
Boots (25p) 214½⊕ 13⊕ 12½ 13 16 13½ 12 14 15. 7¼pcUnsec.Ln. 89¼ 7 8½‡ 90
Boulton (William) (Hldgs.) (10p) 35⊕ 3
Bourne Hollingsworth (25p) 86
Bovis (25p) 215⊕ 15 11 14 12
Bowater Paper Corpn. 152 4 3 ½ 50‡ 2½. 5½pcPf. 59½‡ 8½‡. 3½pc1stDb. 51½‡
Bowaters Newfoundland 4½pcPf. 32
Bowthorpe Hldgs. (10p) 51¼⊕ 2½ 2 ¾‡
Bowyers (Wiltshire) (25p) 156 48 50
Braid (5p) 36⊕ 5½⊕
Brammer (H.) (20p) 200 195

### C—D

### E—F

### G—H

### I—J—K

### L—M

### N—O—P

### Q—R—S

### T—U—V

### W—Y—Z

## GAS (14)

## INSURANCE (292)

## INVESTMENT TRUSTS (820)

## ELEC. LIGHTING & POWER (3)

## FINANCIAL TRUSTS, ETC. (237)

Industrial Commercial Finance Corp. 6¼pc Db. 79‡. 7¼pcADb 91-94 83¾. 9pc ADb. 100½. 10pcBUnsec.Ln. 106

Raeburn Inv. Tst. (25p) 121 ½. 5pcPf. 52⊕
Rights and Issues Inv. Tst. Cap. (25p) 30

# F.T.—ACTUARIES SHARE INDICES

**These indices are the joint compilation of The Financial Times, The Institute of Actuaries and the Faculty of Actuaries in Edinburgh**

| | EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses after sectional names show number of stocks.) | Thursday, Sept. 30, 1971 Index No. | Day's Change % | With 40% Corporation Tax Est. Earnings yield % | Est. Price Earnings Ratio | Div. yield % | Wed. Sept. 29 Index No. | Tues. Sept. 28 Index No. | Monday Sept. 27 Index No. | Friday Sept. 24 Index No. | Year ago (approx) Index No. | 1971 High | 1971 Low | Since compilation High | Since compilation Low |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | CAPITAL GOODS GROUP (184) | 156.07 | −0.4 | 6.05 | 16.52 | 3.83 | 156.70 | 158.05 | 159.10 | 160.89 | 126.98 | 162.00 (14/9) | 103.03 (2/3) | 181.50 (19/9/68) | 82.82 (25/6/66) |
| 2 | Aircraft and Components (3) | 113.89 | −1.6 | 7.22 | 13.85 | 5.48 | 115.77 | 116.38 | 118.32 | 121.21 | 110.16 | 124.11 (7/9) | 66.40 (3/5) | 280.12 (23/9/68) | 66.40 (3/5/71) |
| 3 | Building Materials (29) | 162.42 | −0.7 | 4.86 | 20.57 | 3.35 | 163.59 | 165.14 | 165.64 | 166.88 | 107.33 | 166.88 (24/9) | 96.30 (2/3) | 167.98 (20/9/68) | 85.01 (25/6/62) |
| 4 | Contracting and Construction (20) | 264.51 | +0.8 | 5.27 | 18.98 | 2.32 | 262.52 | 263.79 | 263.67 | 266.69 | 196.51 | 269.85 (20/9) | 152.63 (26/3) | 269.85 (20/9/71) | 84.39 (27/6/62) |
| 5 | Electrls. (ex. Elctrn. Rad. & TV) (13) | 275.75 | — | 5.13 | 19.48 | 3.00 | 275.70 | 276.23 | 277.09 | 282.22 | 219.95 | 286.23 (10/9) | 174.23 (2/3) | 335.11 (17/9/68) | 84.71 (26/6/62) |
| 6 | Engineering (79) | 138.50 | −0.7 | 6.91 | 14.47 | 4.52 | 139.43 | 141.19 | 142.53 | 144.55 | 121.97 | 149.28 (28/7) | 102.56 (2/3) | 160.85 (19/9/66) | 82.90 (26/6/62) |
| 7 | Machine Tools (15) | 63.58 | −0.1 | 7.61 | 13.15 | 6.30 | 63.63 | 63.76 | 64.04 | 64.43 | 68.71 | 68.30 (13/8) | 45.86 (6/5) | 136.70 (4/7/66) | 43.86 (6/5/71) |
| 8 | Miscellaneous (25) | 130.66 | −0.3 | 7.74 | 12.93 | 4.48 | 131.02 | 132.71 | 134.81 | 134.65 | 118.26 | 136.20 (14/9) | 94.19 (2/5) | 144.27 (31/1/69) | 69.01 (6/11/65) |
| 9 | CONSUMER GOODS (DURABLE) GROUP (56) | 179.59 | −0.3 | 4.79 | 20.88 | 2.89 | 180.08 | 182.09 | 182.77 | 183.94 | 142.25 | 185.09 (23/9) | 117.33 (2/3) | 197.87 (15/1/69) | 79.96 (25/6/62) |
| 10 | Electronics, Radio and TV (14) | 191.49 | −0.4 | 4.99 | 20.04 | 2.28 | 192.20 | 195.43 | 196.56 | 198.47 | 159.20 | 199.14 (23/9) | 128.51 (2/3) | 199.86 (19/9/68) | 71.10 (6/11/66) |
| 11 | Household Goods (15) | 201.19 | −0.4 | 5.86 | 17.07 | 3.52 | 201.98 | 203.21 | 204.47 | 204.84 | 131.93 | 205.67 (23/9) | 115.92 (8/3) | 205.67 (23/9/71) | 86.65 (26/6/62) |
| 12 | Motors and Distributors (27) | 120.95 | −0.1 | 4.22 | 23.70 | 3.53 | 121.10 | 121.78 | 121.99 | 122.27 | 94.92 | 123.57 (23/9) | 78.91 (2/2) | 170.59 (16/1/69) | 75.92 (24/10/62) |
| 13 | CONSUMER GOODS (NON-DURABLE) GROUP (175) | 165.63 | −0.5 | 5.46 | 18.32 | 3.69 | 166.53 | 168.16 | 169.75 | 171.93 | 123.11 | 172.37 (14/9) | 118.17 (3/4) | 172.37 (14/9/71) | 83.71 (6/11/66) |
| 14 | Breweries (21) | 195.42 | +1.4 | 5.15 | 19.41 | 3.29 | 192.75 | 198.73 | 201.97 | 204.59 | 129.61 | 205.23 (14/9) | 123.30 (4/1) | 205.23 (14/9/71) | 80.39 (30/8/65) |
| 15 | Wines and Spirits (7) | 173.22 | +0.4 | 6.02 | 16.60 | 4.04 | 172.55 | 176.28 | 179.82 | 181.81 | 140.62 | 196.05 (14/7) | 142.41 (4/1) | 196.05 (14/7/71) | 118.78 (15/6/70) |
| 16 | Entertainment and Catering (15) | 215.57 | −0.8 | 6.75 | 14.82 | 3.59 | 217.21 | 214.99 | 218.18 | 220.05 | 178.53 | 223.01 (20/9) | 177.99 (2/3) | 231.89 (21/1/69) | 80.11 (23/7/62) |
| 17 | Food Manufacturing (24) | 145.94 | −0.2 | 5.48 | 18.26 | 3.71 | 146.29 | 146.34 | 146.72 | 148.06 | 110.54 | 149.88 (14/9) | 99.74 (2/3) | 171.54 (31/1/69) | 95.98 (15/6/70) |
| 18 | Food Retailing (17) | 156.76 | −0.1 | 5.02 | 19.91 | 3.24 | 156.99 | 157.43 | 158.82 | 159.75 | 108.10 | 160.89 (23/9) | 100.23 (2/3) | 163.68 (7/2/69) | 94.62 (27/5/70) |
| 19 | Newspapers and Publishing (15) | 153.08 | +0.6 | 5.67 | 17.65 | 4.59 | 152.24 | 151.03 | 151.66 | 152.16 | 108.08 | 153.08 (30/9) | 101.66 (13/1) | 184.86 (28/1/69) | 81.74 (23/7/62) |
| 20 | Packaging and Paper (16) | 115.24 | +0.2 | 6.70 | 14.93 | 4.50 | 114.97 | 116.36 | 118.16 | 119.29 | 109.13 | 125.27 (8/9) | 88.81 (2/3) | 134.63 (2/1/69) | 87.91 (25/6/62) |
| 21 | Stores (30) | 157.41 | −2.0 | 4.32 | 23.14 | 2.98 | 160.61 | 161.89 | 162.36 | 164.88 | 107.55 | 164.88 (24/9) | 104.48 (2/3) | 164.88 (24/9/71) | 72.74 (6/11/66) |
| 22 | Textiles (21) | 171.36 | −0.7 | 5.73 | 17.45 | 5.27 | 172.63 | 174.55 | 176.70 | 180.27 | 145.17 | 183.27 (7/9) | 137.81 (2/3) | 253.72 (17/9/68) | 89.90 (20/7/62) |
| 23 | Tobacco (3) | 218.39 | −0.8 | 10.00 | 10.00 | 6.05 | 220.09 | 221.02 | 225.94 | 230.16 | 190.53 | 254.47 (27/7) | 170.92 (20/1) | 305.02 (30/1/69) | 94.34 (13/6/62) |
| 24 | Toys and Games (6) | 45.80 | −0.1 | 0.87 | 114.83 | 3.26 | 45.86 | 46.32 | 45.85 | 45.74 | 54.92 | 69.03 (12/1) | 44.90 (9/9) | 135.73 (16/1/70) | 44.90 (9/9/71) |
| | OTHER GROUPS | | | | | | | | | | | | | | |
| 25 | Chemicals (19) | 186.23 | −0.5 | 5.38 | 18.59 | 3.50 | 187.09 | 190.58 | 191.25 | 193.98 | 150.46 | 200.29 (7/9) | 138.18 (10/2) | 201.92 (31/1/69) | 83.29 (25/6/62) |
| 26 | Office Equipment (10) | 188.70 | −0.7 | 3.51 | 28.50 | 1.58 | 190.07 | 189.84 | 193.65 | 197.30 | 152.17 | 212.05 (16/7) | 153.52 (15/2) | 212.05 (16/7/71) | 109.12 (25/5/70) |
| 27 | Shipping (10) | 312.99 | −1.3 | 8.50 | 11.77 | 5.27 | 317.08 | 317.01 | 319.77 | 323.51 | 339.65 | 332.60 (7/9) | 269.76 (16/4) | 355.44 (8/10/70) | 90.80 (29/6/62) |
| 28 | Miscellaneous (unclassified) (44) | 189.34 | −1.0 | 5.67 | 17.64 | 3.64 | 191.34 | 192.39 | 193.36 | 194.58 | 134.87 | 194.79 (25/9) | 128.56 (2/3) | 194.79 (25/9/71) | 76.52 (6/11/66) |
| 29 | INDUSTRIAL GROUP (498 SHARES) | 170.21 | −0.5 | 5.51 | 18.15 | 3.57 | 171.12 | 172.81 | 174.13 | 176.19 | — | 176.61 (14/9) | 120.61 (2/3) | 176.61 (14/9/71) | 120.61 (2/3/71) |
| 30 | Oil (2) | 327.33 | −1.0 | 6.18 | 16.17 | 3.83 | 330.50 | 329.80 | 333.00 | 336.20 | 276.29 | 363.50 (27/7) | 260.74 (2/3) | 431.66 (29/5/69) | 87.23 (29/5/62) |
| 31 | 500 SHARE INDEX | 183.65 | −0.6 | 5.61 | 17.83 | 3.61 | 184.74 | 186.24 | 187.72 | 189.88 | 144.51 | 190.63 (8/9) | 132.46 (2/3) | 193.73 (31/1/69) | 84.86 (26/6/62) |
| 32 | FINANCIAL GROUP (121) | 174.43 | −0.5 | — | — | 2.75 | 175.28 | 176.81 | 178.30 | 178.49 | 119.75 | 178.49 (24/9) | 119.73 (10/2) | 178.49 (24/9/71) | 69.38 (30/8/65) |
| 33 | Banks (6) | 174.35 | −0.5 | 7.91 | 12.64 | 2.91 | 175.26 | 175.21 | 176.05 | 175.13 | 107.36 | 189.94 (27/7) | 101.65 (8/1) | 189.94 (27/7/71) | 69.25 (16/6/64) |
| 34 | Discount Houses (6) | 184.28 | +0.0 | — | — | 4.19 | 184.28 | 186.04 | 183.50 | 183.50 | 126.57 | 186.04 (28/9) | 130.72 (16/1) | 186.04 (28/9/71) | 87.65 (12/6/69) |
| 35 | Hire Purchase (6) | 278.09 | −1.5 | 4.58 | 21.85 | 2.72 | 282.26 | 284.58 | 287.63 | 292.48 | 193.96 | 306.24 (8/9) | 188.57 (18/1) | 306.24 (8/9/71) | 80.02 (3/8/66) |
| 36 | Insurance (Life) (9) | 163.76 | −1.2 | — | — | 2.64 | 165.79 | 168.45 | 170.31 | 169.51 | 123.85 | 170.47 (20/9) | 123.16 (18/1) | 170.47 (20/9/71) | 61.35 (30/8/65) |
| 37 | Insurance (Composite) (9) | 136.22 | −0.1 | — | — | 3.17 | 136.36 | 139.27 | 140.75 | 140.37 | 86.88 | 140.87 (23/9) | 89.80 (10/2) | 140.87 (23/9/71) | 54.40 (16/3/65) |
| 38 | Insurance (Brokers) (11) | 177.93 | −1.2 | 4.97 | 20.13 | 2.57 | 180.00 | 185.87 | 187.56 | 186.86 | 111.06 | 187.56 (27/9) | 118.27 (4/1) | 187.56 (27/9/71) | 82.59 (24/7/69) |
| 39 | Investment Trusts (20) | 193.09 | −0.6 | 2.95 | 33.93 | 2.74 | 194.18 | 194.76 | 197.72 | 198.88 | 162.63 | 202.33 (8/9) | 152.16 (2/3) | 215.04 (31/1/69) | 80.84 (26/6/62) |
| 40 | Merchant Banks, Issuing Houses (14) | 180.91 | +0.1 | — | — | 2.14 | 180.74 | 182.96 | 185.72 | 187.24 | 124.76 | 187.24 (24/9) | 108.44 (16/3) | 187.24 (24/9/71) | 50.47 (15/7/65) |
| 41 | Property (31) | 223.66 | −0.4 | 2.74 | 36.55 | 2.21 | 224.56 | 224.71 | 226.44 | 226.40 | 151.12 | 226.72 (25/8) | 139.37 (8/3) | 226.72 (25/8/71) | 56.01 (20/4/65) |
| 42 | Miscellaneous (9) | 185.02 | +0.9 | 6.57 | 17.97 | 4.05 | 183.43 | 182.00 | 183.86 | 184.96 | — | 185.02 (30/9) | 120.73 (4/1) | 185.02 (30/9/71) | 120.06 (31/12/70) |
| 43 | ALL-SHARE INDEX (621 SHARES) | 181.25 | −0.6 | — | — | 3.40 | 182.29 | 183.80 | 185.28 | 186.94 | 138.14 | 187.32 (8/9) | 129.47 (2/3) | 187.32 (8/9/71) | 83.72 (25/6/62) |
| | COMMODITY SHARE GROUPS (Not included in the 500 or All-Share indices) | | | | | | | | | | | | | | |
| 44 | Rubbers (10) | 231.32 | +0.6 | 9.83 | 10.17 | 7.75 | 230.04 | 229.96 | 230.14 | 231.10 | 143.91 | 234.97 (21/9) | 163.62 (7/4) | 234.97 (21/9/71) | 84.68 (26/8/65) |
| 45 | Teas (10) | 98.84 | +1.2 | 15.93 | 6.28 | 9.06 | 97.66 | 96.97 | 96.75 | 96.09 | 75.21 | 98.84 (30/9) | 78.71 (3/3) | 114.64 (14/5/64) | 59.96 (14/11/66) |
| 46 | Coppers (4) | 247.03 | −2.7 | 71.86 | 1.39 | 20.00 | 253.97 | 268.83 | 275.51 | 283.39 | 285.37 | 350.50 (12/7) | 235.80 (21/1) | 350.50 (12/7/71) | 94.08 (29/4/62) |
| 47 | Mining Finance (11) | 81.41 | −2.2 | 6.95 | 14.38 | 4.07 | 83.21 | 84.17 | 87.12 | 89.06 | 125.12 | 106.79 (7/7) | 81.41 (30/9) | 175.90 (28/4/69) | 81.41 (30/9/71) |
| 48 | Tins (8) | 70.73 | −0.1 | 11.22 | 8.91 | 8.68 | 70.79 | 70.79 | 70.62 | 70.60 | 63.04 | 74.77 (20/7) | 62.11 (4/1) | 108.97 (29/6/68) | 54.83 (27/6/70) |

| | FIXED INTEREST | Thurs. Sept. 30 Index No. | Yield % | Wed. Sept. 29 | Tues. Sept. 28 | Monday Sept. 27 | Friday Sept. 24 | Thurs. Sept. 23 | Wed. Sept. 22 | Year ago (approx) | 1971 High | 1971 Low | Since Compilation High | Since Compilation Low |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Consols 2½% yield | — | 8.69 | 8.57 | 8.57 | 8.49 | 8.60 | 8.67 | 8.77 | 9.29 | — | — | — | — |
| 2 | 20-yr. Govt. Stocks (6) | 84.80 | ‡7.59 | 85.66 | 85.78 | 86.32 | 84.99 | 84.29 | 83.29 | 73.98 | 86.32 (27/9) | 70.60 (4/1) | 115.42 (11/9/65) | 68.43 (15/6/70) |
| 3 | 20-yr. Red. Debentures & Loans (15) | 78.47 | 10.36 | 78.45 | 78.35 | 78.32 | 77.81 | 77.46 | 76.69 | 70.98 | 78.47 (30/9) | 68.42 (4/1) | 113.43 (25/10/65) | 66.59 (16/6/70) |
| 4 | Investment Trusts Prefs. (15) | 74.60 | 9.90 | 74.60 | 74.60 | 73.93 | 73.83 | 73.83 | 72.84 | 70.62 | 74.60 (28/9) | 66.23 (11/1) | 114.41 (13/9/63) | 66.23 (11/1/71) |
| 5 | Commercial and Industl. Prefs. (20) | 81.62 | 9.46 | 80.57 | 79.86 | 79.45 | 79.10 | 78.46 | 77.95 | 72.47 | 81.62 (30/9) | 69.02 (15/1) | 114.41 (7/10/65) | 69.02 (15/1/71) |

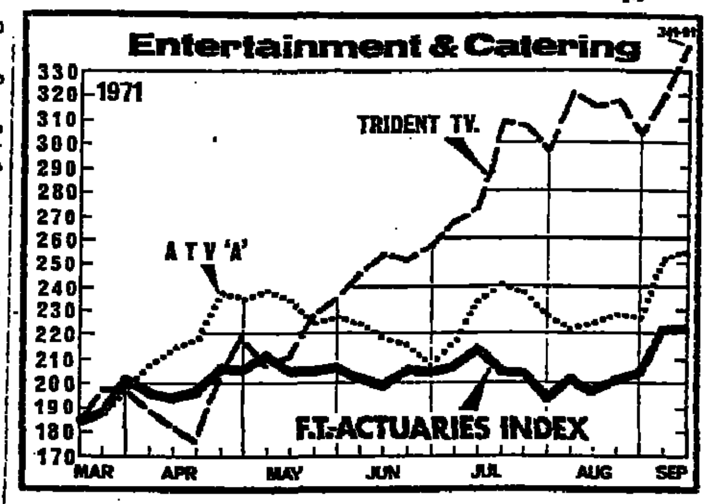
| Section or Group | Base Date | Base Value |
|---|---|---|
| Food Manufacturing | 29/12/67 | 114.13 |
| Food Retailing | 29/12/67 | 114.13 |
| Insurance Brokers | 29/12/67 | 96.67 |
| Mining Finance | 29/12/67 | 100.00 |
| Wines and Spirits | 16/1/70 | 144.76 |
| Toys and Games | 16/1/70 | 135.72 |
| Office Equipment | 16/1/70 | 162.74 |
| Industrial Group | 31/12/70 | 128.20 |
| Miscellaneous Financial | 31/12/70 | 128.06 |
| All Other | 10/4/62 | 100.00 |

‡ Redemption yield.

F.T.-Actuaries indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 360 computer.

A current list of constituents of the F.T.-Actuaries Share Indices can be obtained from the Publisher, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By post inland 16p. Commonwealth 16p. Foreign 19p.

## Entertainment & Catering




The F.T.-Actuaries share index for Entertainment and Catering has been left fairly well towards the back of the field in our Leaders and Laggards table since the start of the year. This is primarily due to EMI's setback on their U.S. Capitol subsidiary's poor performance. However, the recent upsurge in consumer spending has helped the sub-section, which is just short of 20 per cent. up from January 1, compared with a gain of 36½ per cent. in the parent Consumer Goods (Non-Durable) Group.

*These charts show the pattern of an F.T.-Actuaries index and of prices of two constituents converted to index numbers at weekly intervals over about six months, starting from the same base.*

## Option Report and three-month "Call" rates

**OPTION DEALING DATES**

| First Dealings | Last Dealings | Last Declaration | For Settlement |
|---|---|---|---|
| Sept. 28 | Oct. 11 | Dec. 30 | Jan. 11 |
| Oct. 12 | Oct. 25 | Jan. 13 | Jan. 25 |
| Oct. 26 | Nov. 8 | Jan. 27 | Feb. 8 |

A moderate day's business was seen yesterday in the Option market on Declaration day. "Calls" were done in British Leyland, Direct Spanish, Reckitt and Colman, United Biscuits, Armour Trust, Diploma Investments, J. Laing "A," S. and K. Holdings, Tesco, National Westminster warrants, "Mams," Tigon, Reyrolle Parsons, Jute Industries, Aaronson Bros., York Trailer, Welkom, Rednor, Union Corporation, Thos. Tilling, Eastern and General and Metals Exploration.

A "put" was arranged in Wintrust, while "doubles" were completed in Diploma Investments and Armour Trust.

Prices in pence unless otherwise stated.

| Industrials | | | | | | | |
|---|---|---|---|---|---|---|---|
| A. P. Cement | 18 | Guardian | 14 | Water Walker | 20 | Anglo Amer. | 50 |
| Barclays Bank | 30 | Guest Keen | 20 | Tesco | 5 | Broken Hill Pty | 62 |
| Beecham | 18 | Hawker Sidd. | 20 | Thorn 'A' | 25 | Charter Cons. | 22 |
| Boots Drug | 11 | Hay's Wharf | 20 | Tube Inv. | 25 | Charterhall Fin | 4 |
| Bowaters | 15 | House of Fraser | 17 | Unilever | 20 | Cons. Gold | 25 |
| B.A.T. | 20 | I.C.I. | 17 | Utd. Drapery | 15 | De Beers Def. | 13 |
| British Leyland | 3 | "Imps" | 6 | Vickers | 7 | F. S. Geduld | 52 |
| British Oxygen | 3 | I.C.L. | 20 | Woolworth | 5 | Great Boulder | 20 |
| Burton "A" | 15 | Int. Stores | 7 | | | Hampton Areas | 15 |
| Burlin's | 3 | Inveresk Paper | 5 | Property | | Hampton Prop. | 9 |
| Cadbury's | 7 | Jessel Secs. | 25 | Cap Counties | 9 | Kloof | 20 |
| Cannon St. | 6 | Legal & General | 22 | Land Securities | 12 | Lonrho | 10 |
| Courtaulds | 10 | Lloyds Bank | 30 | Peachey | 9 | Loraine | 5 |
| Debenhams | 14 | "Lots" | 6 | Star (Gt. Brit.) | 20 | Metals Explor. | 26 |
| Distillers | 11 | "Mams" | 14 | Town & City | 12 | Newmetal | 2 |
| Dunlop | 13 | Marks & Spencer | 18 | Town & Comm. | 14 | Poseidon | 22 |
| EMI | 12 | Metal Box | 22 | | | Pres. Steyn | 20 |
| Fisons | 19 | Midland Bank | 30 | Oils | | Rio-T. Zinc | 15 |
| G.R.A. Trust | 12 | Nat West Bank | 30 | Brit Petroleum | 32 | Welkom | 12 |
| Gen. Accident | 12 | P. & O. Defd. | 15 | Burmah Oil | 31 | West Areas | 9 |
| General Electric | 9 | Plessey | 10 | Oil Search | 4 | Western M'ng | 18 |
| Glaxo | 30 | Ralli Intl. | 11 | Shell | 22 | Zambia Copper | 7 |
| | | Rank Org. "A" | 52 | Ultramar | 24 | | |

## REGIONAL MARKETS

Prices in pence and denominations of 25p unless otherwise stated

| MIDLANDS & WESTERN | | | | | |
|---|---|---|---|---|---|
| B'ham Post A. | 45 | ...... | Albany Inv. 20p | 42 | ...... |
| Castings 10p | 31 | ...... | Ash Spinning | 28 | ...... |
| Clough (A) 5p | 17½ | ...... | Belgrave M. 5p | 5 | ...... |
| Dunn W.R. 10p | 10½ | ...... | Bibby & Baron | 39 | ...... |
| Econa (10p) | 33 | ...... | Booth Chas. 10p | 16½ | ...... |
| Evans Frdk 10p | 41⅛ | ...... | Brady (G.) | 92 | ...... |
| Evered | 36xd | +1 | Bealme (T & J) | 40 | ...... |
| Fordham Hd 5p | 69½ | ...... | Bridgw'r Est 50p | 192½ | +½ |
| Frost & Reed 50p | 115½ | ...... | Brit. Nth'p 50p | 40 | ...... |
| Gardiner £1 | 80 | ...... | Bury King 20p | 6¾ | ...... |
| Gordon J. S. | 12½ | ...... | Clover Croft | 25 | ...... |
| | | | Cromer Ring £1 | 53 | ...... |
| | | | Dyson R.A. 'A' | 40 | ...... |
| | | | Ellenroad | 59 | ...... |
| | | | Eng. Nat Inv. E. | 54½ | −½ |
| | | | Ira. King | 20 | ...... |
| | | | Gandy | 33 | ...... |
| | | | Gardner (L.) | 170 | ...... |
| | | | Gaunt (Rd) | 22½ | ...... |

| SCOTTISH EXCHANGE | | |
|---|---|---|
| Atlas Pl'st'e 12p | 11 | ...... |
| Brunton (M.) | 82½ | ...... |
| Clyde Paper | 8 | +½ |
| Coltness Ind. | 16½ | −½ |
| Craig & Rose £1 | 182 | ...... |
| Dalm'rs Whyte | 36 | ...... |
| Dykes | 140 | ...... |
| Galloway (J) | 10 | ...... |
| Hill & Wylie | 30 | ...... |
| Lees (JJ) 10p | 26 | ...... |
| Mackinnon | 77½ | ...... |
| Morrison & G. | 11½ | ...... |
| Richards 5p | 19 | ...... |
| Scoteros | 36 | ...... |
| United Wire | 64 | −2 |

CORAL INDEX
Close 407-412

# NEW "HIGHS" AND "LOWS" FOR 1971

The following securities (number in parentheses) among those quoted in London Closing Prices yesterday attained new "highs" and "lows" for 1971:—

## NEW "HIGHS" (82)

Gas 4% '69-72 — Exchequer 6¼% '72

COMMONWEALTH & AFRICAN LNS. (2)
Sthrn. Rhod. 2½% '65-70 — Sthrn Rhod. 6% '78-81

PUBLIC BOARDS (2)
Cope Allman 7½% '71-90 — APC 7% Db. '88-93

BANKS (2)
Joseph (Leo.) — Nat. Bank of Aust.

BEERS (1)
Williams & Humbert

BUILDINGS (9)
Erith — Nottingham Brick
F.C. Construction — Streeters of Godalmg.
Gunn (A.) — Truscon
Lovell (Y. J.) — Western Bros.
Magnet Joinery

CHEMICALS (1)
Imperial Chem. Inds. 5% Pf.

CINEMAS (2)
Anglia TV 'A' — Scottish TV 'A'

DRAPERY & STORES (1)
Trutex

ELECTRICALS (3)
G. & M. Power — Stanwood
Jones Stroud

ENGINEERING (7)
Adwest Group — Harper (John)
Amari — Macreadys Metal
Brasway — Ratcliffe Inds.
Bronx Engineering

FOODS (5)
Assoc. Biscuit — Danish Bacon 'A'
Clover Dairies — Kwik-Save Discount
Colborn Group

HOTELS (1)
Lyons 'A'

INDUSTRIALS (14)
Booker McConnell — Mazanie
Burndene — Maynards
Campari — Park Yorkshire
Compton Webb — Spear (J. W.)
Elson & Robbins — Stigwood (Robert)
Hardura Group — Turner (Ben)
Kleeman — Wilkins Mitchell

INSURANCE (1)
Victory

MOTORS (1)
Lucas (Joseph)

NEWSPAPERS (3)
News Int. — Utd. Newspapers
Do. NV

PROPERTY (8)
Amal. Inv. & Prop. — Greencoat & Barratt
Ashworth & Steward — Guardian Prop.
Chown Securities — Land & Gen. 'A'
Grand Junction — North British

SHOES (2)
Farmer (John) — Hiltons

TEXTILES (7)
Bodycote — Shaw Carpets
Emu Wool — Tricoville
Ingram (H.) — Tomkinson
Jute Industries

TRUSTS (6)
British Ind. & Gen. — Anglo Continental
SPLIT Inc. — Diploma
Triumph Invest. — Yarm Invest.

OILS (3)
Brit. Petroleum 8% Pf. — Shell Trans. 5½% Pf. Do. 7% Pf.

TEAS (2)
Assam Frontier — Williamson

## NEW "LOWS" (41)

AMERICANS (2)
City Inv. — Kaiser Aluminum

CANADIANS (2)
Abitibi Paper — White Pass

CHEMICALS (1)
Laporte Inds.

DRAPERY & STORES (1)
Ramar Textiles

ELECTRICALS (2)
Pye Hldgs. Opt. — Reyrolle-Parsons

FOODS (1)
Meat Trade Suppliers

INDUSTRIALS (2)
Assoc. Leisure — English China Clays

MOTORS (1)
Crane Fruehauf

SOUTH AFRICANS (1)
Jessel Props.

TRUSTS (3)
F.U.G.I.T. — Schlesinger
El Oro

MINES (25)
Marievale — Union Corp.
Vaal Reefs — Broken Hill South
West Wit. — Great Boulder
Western Areas — MIM Holdings
OFSIT — Newmetal
Anglo-American — North Broken Hill
Charter Cons. — Northern Mining
Cons. Gold Fields — Peko-Wallsend
Middle Wits. — Poseidon
New Wit. — Western Mining
Rand Selection — Messina
Sentrust — Northgate Explorn.
U. C. Invest.

## RISES AND FALLS YESTERDAY

| | Up | Down | Same |
|---|---|---|---|
| British Funds | 5 | 36 | 7 |
| Corps. Dom. and Foreign Bonds | 8 | 11 | 114 |
| Industrials | 258 | 477 | 986 |
| Financ. and Prop. | 71 | 167 | 305 |
| Oils | 7 | 13 | 10 |
| Plantations | 11 | 1 | 76 |
| Mines | 12 | 37 | 109 |
| Recent Issues | 6 | 18 | 82 |
| Totals | 378 | 780 | 1,689 |

# ACTIVE STOCKS

Prices in pence except where otherwise indicated.

| Stock | Denomination | No. of marks | Closing price | Change on day | 1971 high | 1971 low |
|---|---|---|---|---|---|---|
| Imp. Chem. Inds. | £1 | 17 | 311 | −1 | 335 | 230 |
| Marks & Spencer | 25p | 14 | 302 | −13 | 331 | 194½ |
| De Beers Defd. | R0.05 | 13 | 183 | +5 | 258 | 178 |
| Diploma Inv. | 25p | 12 | 170 | +8 | 170 | 72 |
| Shell Transport | 25p | 12 | 348 | −6 | 426 | 327 |
| Ultramar | 25p | 12 | 294 | −4 | 310 | 166 |
| Burmah Oil | £1 | 11 | 430 | −6 | 477 | 297½ |
| Charter Cons. | 25p | 11 | 195 | −3 | 271 | 195 |
| Courtaulds | 25p | 11 | 120 | −1 | 136 | 107 |
| Court Line | 25p | 11 | 179 | −2 | 200 | 119 |
| Eng. China Clays | 25p | 11 | 89½ | −6½ | 126½ | 89½ |
| GEC | 25p | 11 | 149 | −2 | 162 | 90 |
| Rio Tinto-Zinc | 25p | 11 | 202 | +2 | 270 | 200 |
| A. W. (Secs.) | 10p | 10 | 52 | — | 60 | 22½ |
| Brit.-Am. Tobacco | 25p | 10 | 322 | — | 391 | 265 |

*The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1)(e) and reproduced to-day in Stock Exchange dealings.*

# FOOD PRICE MOVEMENTS

| | Sept. 30 £ per ton | Week ago £ per ton | Month ago £ per ton |
|---|---|---|---|
| **§BACON** | | | |
| Danish A.1† | 400 | 400 | 380 |
| British A.1† | 370-2 | 370-2 | 360-2 |
| Irish Special A | 375 | 375 | 365 |
| Polish A.1† | 370 | 370 | 360 |
| Ulster A.1 | 370 | 370 | 360 |
| **§BUTTER** | per cwt | per cwt | per cwt |
| N.Z. packet | 25.15-.35 | 25.15 | 24.35-25.35 |
| Australian packet | 25.15 | 25.15 | 24.15 |
| Danish salted packet† | 28.00-.15 | 28.00-.15 | 28.00-.15 |
| **§CHEESE** | | | |
| English cheddar white creamery selected | — | — | 20.25 |
| N.Z. finest rindless 40-lb blocks | 20.05 | 20.05 | 16.80-17.80 |
| ***EGGS** | | | |
| Home-prod. Standard | 1.30-1.70 | 1.30-1.70 | 1.30-1.65 |
| Large | 1.70-2.00 | 1.70-2.00 | 1.70-1.95 |

| | Sept. 30 per lb p p | Week ago per lb p p | Month ago per lb p p |
|---|---|---|---|
| **BEEF** | | | |
| Scotch killed sides | 17.0—19.6 | 17.0—19.6 | 17.5—20.0 |
| Eire forequarters | 12.9—13.8 | 12.5—13.3 | 12.1—13.3 |
| Argentine chilled rumps | 38.5—40.0 | 39.0—40.0 | 39.0—40.0 |
| **LAMB** | | | |
| English | 12.5—15.0 | 11.7—15.8 | 12.5—15.8 |
| N.Z. 2s—Ds | 12.5—14.5 | 12.5—14.5 | 12.5—14.4 |
| **PORK** (all weights) | 10.0—15.0 | 11.7—15.8 | 10.0—15.0 |
| **MUTTON** | | | |
| English ewes | 5.0—6.0 | 5.0—6.0 | 6.0—8.0 |
| **§POULTRY** | | | |
| Broiler chickens (all weights—oven ready) | 13.0—14.5 | 13.0—14.5 | 13.5—15.0 |

*Prices per 120 eggs on Tuesday, September 28. † Ex quay. ‡Prices on September 29. § London Provision Exchange prices.



## SHARE INFORMATION SERVICE: NOTES

The following Notes relate to Share Information Service:—

Denominations are 25p unless otherwise indicated.

Yields allow for value of declared distributions and rights and are based on middle prices. ... dividend passed or deferred. c Canadian. ... Figures based on prospectus or other official estimates for 1971-72. ...

# F.T. SHARE INFORMATION SERVICE

## BRITISH FUNDS

| 1971 High | Low | Stock | Closing Price £ | + or — | Gr's Y'ld pc Inter'st £ | Redemption £ |
|---|---|---|---|---|---|---|
| | | **"Shorts" (Lives up to Five Years)** | | | | |
| 100 1/16 | 98 | Conv. 6pc 1972 | 100 1/32 | + 1/32 | 5.97 | 4.79 |
| 99 1/4 | 96 1/8 | Gas 4pc 69-72 | 99 1/4 | + 1/32 | 4.03 | 4.88 |
| 101 1/8 | 98 | Exchequer 6 1/4 pc 1972 | 101 1/32 | + 1/32 | 6.15 | 4.81 |
| 102 | 98 | Exchequer 6 3/4 pc 1973 | 101 | ...... | 6.63 | 5.21 |
| 97 3/8 | 92 3/8 | Electric 3pc '68-73 | 97 | — 1/8 | 3.08 | 4.95 |
| 97 | 92 3/8 | Transport 3pc '68-73 | 97 | — 1/8 | 3.08 | 4.96 |
| 99 1/2 | 93 1/4 | Treas. 5 1/2 % 1975 | 99 1/2 | ...... | 6.28 | 5.49 |
| 98 | 93 7/8 | Conv. 5 1/4 pc 1974 | 98 | ...... | 5.34 | 5.97 |
| 98 3/4 | 93 | Treas. 5 1/2 % 1974 | 98 | ...... | 5.57 | 5.97 |
| 102 1/8 | 96 | Treasury 6 3/4 pc 1974 | 101 | ...... | 6.62 | 6.06 |
| 91 | 84 | Savings 3pc '65-75 | 91 | ...... | 3.28 | 5.41 |
| 99 1/8 | 98 | Trans. 6% 1975 ● | 99 1/8 | + 1/32 | 6.05 | 6.28 |
| 100 1/8 | 95 | Exch. 6 1/2 pc 1976 | 100 | + 1/32 | 6.50 | 6.48 |
| 100 1/8 | 93 1/2 | Treasury 6 1/2 pc 1976 | 99 | ...... | 6.50 | 6.50 |
| 100 | 94 3/4 | Victory 4pc 1976 | 97 3/4 | ...... | 4.09 | 4.99 |
| | | **Five to Fifteen Years** | | | | |
| 98 1/2 | 97 1/4 | Funding 4pc 60-90 | 97 xd | — 1/4 | 4.11 | 5.12 |
| 98 | 98 | Treas. 6 1/2 % 1977 | 98 1/2 | — 1/8 | 6.36 | 6.64 |
| 88 5/8 | 80 | Electric 3pc 1974-77 | 88 1/4 xd | — 1/8 | 3.40 | 5.55 |
| 90 1/4 | 81 | Transport 4pc '72-77 | 89 3/4 | — 1/8 | 4.51 | 6.23 |
| 93 1/2 | 82 3/8 | Exchequer 5pc '76-78 | 91 | — 1/4 | 5.50 | 6.64 |
| 87 1/8 | 75 3/8 | Electric 4 1/4 pc '74-79 | 86 1/4 | — 3/8 | 4.93 | 6.49 |
| 84 1/2 | 70 3/4 | Do. 3 1/2 pc '76-79 | 83 3/4 | — 1/4 | 4.25 | 6.30 |
| 83 3/4 | 68 1/8 | Treasury 3 1/2 pc '77-80 | 82 7/8 | — 3/8 | 4.28 | 6.23 |
| 92 5/8 | 78 7/8 | Funding 5 1/4 pc '78-80 | 91 7/8 | — 5/8 | 5.81 | 6.73 |
| 81 5/8 | 67 3/4 | Treasury 3 1/2 pc '79-81 | 80 7/8 | — 3/8 | 4.34 | 6.29 |
| 107 1/4 | 92 5/8 | Do. 8 1/4 pc '80-82 | 106 1/4 | — 1/2 | 8.14 | 7.76 |
| 88 1/4 | 71 | Funding 5 1/2 pc '82-84 | 87 1/4 | — 1/2 | 6.39 | 7.22 |
| 105 | 90 1/4 | Treasury 8 1/4 pc '84-86 | 104 | — 1/2 | 8.32 | 8.22 |
| | | **Over Fifteen Years** | | | | |
| 89 7/8 | 76 | Funding 6 1/4 pc '85-87 | 86 1/4 xd | — 1 | 7.48 | 7.99 |
| 62 7/8 | 47 5/8 | Transport 3pc '78-88 | 61 3/4 | — 3/4 | 4.93 | 6.99 |
| 73 1/2 | 61 1/4 | Treasury 5pc '86-89 | 72 1/4 | — 3/4 | 6.90 | 7.89 |
| 97 5/8 | 96 | Treasury 8 1/4 pc 87-90 ● | 96 1/2 | — 3/4 | 8.60 | 8.68 |
| 78 1/4 | 67 1/8 | Funding 5 3/4 pc '87-91 | 77 xd | — 3/4 | 7.47 | 8.11 |
| 78 1/2 | 66 5/8 | Funding 6pc 1993 | 77 1/4 | — 3/4 | 7.80 | 8.29 |
| 107 1/4 | 93 7/8 | Treasury 9pc 1994 | 105 1/2 | — 1 | 8.83 | 8.78 |
| 54 | 41 5/8 | Gas 3pc '90-95 | 53 xd | — 1/2 | 5.64 | 7.12 |
| 103 3/4 | 95 | Treas. 9pc '92-6 | 102 | — 1 | 8.86 | 8.83 |
| 54 1/2 | 41 | Redp 3pc '86-96 | 54 xd | — 1/2 | 5.56 | 6.88 |
| 102 5/8 | 90 1/4 | Treasury 8 3/4 pc 1997 | 100 3/4 | — 1 | 8.75 | 8.74 |
| 103 3/8 | 94 1/4 | Treas. 8 3/4 pc 1997 "A" | 101 1/2 | — 1 | 8.80 | 8.79 |
| 84 7/8 | 72 1/2 | Treasury 6 3/4 pc '95-98 | 81 1/2 xd | — 3/4 | 8.22 | 8.46 |
| 52 1/8 | 40 3/4 | Funding 3 1/2 pc '99-04 | 51 | — 3/4 | 6.97 | 7.67 |

## CANADIANS

| 1971 High | Low | Stock | Closing Price p | + or — | Div. Gross amount | Times Covered | Gross Yield pc |
|---|---|---|---|---|---|---|---|
| 440 | 285 | Abitibi bPaper | 285 | — 20 | — | — | — |
| 832 | 700 | Bk. Montreal ($2) | 788 | + 1 | 75c | † — | 4.0 |
| £16 1/2 | £10 1/2 | Bk. Nova Scot. ($2) | £14 xd | ...... | 84c | — | 2.5 |
| £14 3/4 | 750 | Bow Valley | £13 5/8 | + 1/4 | 5c | — | — |
| £10 1/8 | 755 | Brascan | 840 | — 65 | $1.0 | — | 4.9 |
| 372 | 285 | B.P. Oil & Gas | 350 | | — | — | — |
| £13 3/4 | 943 3/4 | Can. Imp. Bk. ($2) | £11 xd | + 1/16 | 69c | † — | 2.5 |
| £35 | £30 | Can. Pacific ($25) | £32 3/8 | — 1/4 | $3.25 | — | 4.2 |
| 125 | 85 3/4 | 4pc N. Cum. P. ($5) | 101 | — 1 | 4 | — | 5.0 |
| £44 | £37 | 4pc Deb. £100 | £43 1/2 | — 1/4 | 4 | — | 9.3 |
| 630 | 290 | Cons. Bathurst | 290 | ...... | ●51 | — | 14.4 |
| £13 | £10 | Gulf Oil Can. | £12 1/8 | ...... | 57 1/2 c | — | 2.0 |
| 155 | 100 | Hawker Sid. Can. | 115 | ...... | — | — | — |
| £21 | £17 | Hollinger ($5) | £18 | ...... | $1.20 | † — | 2.8 |
| £10 | 735 | Hudson's Bay | 875 | ...... | 62c | — | 2.5 |
| £24 | £18 | Hud. B. Oil G. ($2 1/2) | £22 3/8 | — 1/8 | 60c | — | 0.9 |
| £10 | 765 | Inasco | 945 | — 40 | 80c | — | 3.6 |
| £14 | 920 | Imperial Oil | £14 1/8 | + 1/8 | 52 1/2 c | — | 1.5 |
| 670 | 528 | Int. Nat. Gas $1 | 570 | — 30 | 50c | — | 3.7 |
| £22 | £15 | Int. Nickel | £15 | — 1/8 | $1.50 | — | 4.1 |
| 645 | 430 | Massey Ferg. | 565 | + 5 | $1 | — | |
| £17 7/8 | £13 1/2 | Pacific Petrol ($1) | £16 1/2 | ...... | 30c | — | 0.7 |
| 80 | 54 | Place Gas ($1) | 62 | + 8 | — | — | — |
| £11 | 725 | Rio Algom | 730 | — 17 | 40c | — | 2.3 |
| £13 | £11 | RoyalBk. Can. ($2) | £13 | — 1/16 | 86c | † — | 2.7 |
| 145 | 95 | Steep Rock ($1) | 105 | + 5 | 15c | — | 6.0 |
| £13 3/4 | 945 | Tor. Dom. Bk. ($2) | £12 xd | — 1/16 | 68c | † — | 2.3 |
| £18 1/4 | £14 3/4 | Trans. Can. Pipe ($1) | £17 3/4 | — 1/8 | $1 | — | 2.3 |
| £13 1/2 | £10 5/8 | Westcoast | £11 3/4 | + 1/4 | 50c | — | 1.8 |
| 800 | 490 | White Pass | 490 | — 20 | 25c | — | 2.1 |

S.E. List Premium 26 1/2 % (based on $2.5070 per £)

## BANKS AND HIRE PURCHASE

### †† Banks, etc.

| 1971 High | Low | Stock | Closing Price | + or — | Div. % or amount | Times covered | Gross yield pc | P/E Ratio |
|---|---|---|---|---|---|---|---|---|
| 326 1/2 | 238 1/4 | Alexanders D. £1 | 305 | ...... | †A15 1/2 | — | 4.5 | — |
| 530 | 337 1/2 | Allen Harvey £1 | 515 | ...... | 20 | — | 3.9 | — |
| 535 | 375 | Allied Irish £1 | 525 | — 5 | 18 | — | 3.5 | — |
| 152 | 127 1/2 | Anglo Israel £1 | 148 | + 1 | 10 | — | 6.8 | — |
| 305 | 200 | Arbuthnot L. £1 | 270 | ...... | 10 | — | 3.7 | — |
| 288 | 240 | Aust. & N.Z. £1 | 257 | ...... | 10 | — | 3.9 | — |

### Hire Purchase, etc.

## BEERS, WINES AND SPIRITS

## BUILDING INDUSTRY, TIMBER & ROADS

## INTERNATIONAL BANK

## CORPORATION LOANS

## COMMONWEALTH AND AFRICAN LOANS

### Corporation Short-dated Bonds

## PUBLIC BOARD AND OTHER LOANS

## FOREIGN BONDS & RAILS

## London U.S. Dollar and DM Issues

Prices exclude inv. $ premium.

## AMERICANS

S.E. List Premium 26 1/2 % (based on $2.4846 per £)

## BUILDING INDUSTRY—Continued

## CHEMICALS, PLASTICS, ETC.

## CINEMAS, THEATRES AND TV

## DRAPERY AND STORES

## DRAPERY AND STORES—Continued

## ELECTRICAL AND RADIO

## ENGINEERING AND METAL

## ENGINEERING AND METAL—General—Cont'd

## FOOD, GROCERIES, ETC.

## HOTELS AND CATERERS

## HOTELS AND CATERERS—Continued

## INDUSTRIALS (Miscell.)

"Recent Issues" and "Rights" Page 27

INDUSTRIAL (Miscell.)—Continued

INSURANCE

MACHINE TOOLS

MOTOR, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Aircraft

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

STEELS

TEXTILES—GENERAL

TEXTILES—WOOL

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

TRUSTS, FINANCE, LAND—Continued

Finance, Land, etc.

UTILITIES

OILS

RUBBERS—MALAYSIAN

RUBBERS—MISCELLANEOUS

SISAL

TEAS

India and Pakistan

TEAS—Continued

India and Pakistan (cont.)

| 1971 High | Low | Stock | Closing Price pence | + or − | Div. % amount | Times covered | Gross yield % |
|---|---|---|---|---|---|---|---|
| 30 | 28 | Scottish Assam (£1) | 28 | ...... | — | — | — |
| 6 | 4 | Singlo (10p) | 5½ | ...... | — | — | — |
| 52½ | 34 | South'n India (£1) | 37 | ...... | 2½ | 1.5 | 6.8 |
| 202½ | 175 | Travancore (£1) | 197 | +7 | 20 | 1.2 | 6.1 |
| 61 | 39 | Warren Tea (£1) | 61 | ...... | 6 | ♦ | 9.9 |
| 63 | 45 | West Dooars (£1) | 58 | ...... | 4 | ♦ | 7.1 |
| 74 | 51½ | Williamson (£1) | 77 | +3 | 8 | ♦ | 10.4 |

Ceylon—

| 1971 High | Low | Stock | Closing Price pence | + or − | Div. % amount | Times covered | Gross yield % |
|---|---|---|---|---|---|---|---|
| 63 | 50 | Bogawantalawa £1 | 60 | ...... | 10 | 1.0 | 16.7 |
| 9 | 4½ | Central Prov. | 7½ | ...... | 5 | 1.9 | 6.7 |
| 175 | 101½ | Ceylon Plants (£1) | 175 | ...... | 20 | 1.0 | 11.4 |
| 45 | 15½ | Demodera | 40 | ...... | — | — | — |
| 45 | 35 | Dimbula Valley £1 | 40 | ...... | 5 | 2.3 | 7.5 |
| 6 | 4¾ | Galaha (20p) | 6 | ...... | 4 | 1.2 | 13.5 |
| 3½ | 2½ | Gen. Ceylon (10p) | 3¼ | ...... | 2 | 1.3 | 3.0 |
| 27 | 12 | Haleyon Inv 10p | 22 | ...... | 4 | — | 1.8 |
| 52 | 32½ | Lanka (£1) | 52 | ...... | 5 | 1.2 | 9.9 |
| 50 | 37 | Lunuva (£1) | 48 | ...... | 3 | 1.3 | 6.2 |
| 26 | 21 | Nuwara Eliya (£1) | 26 | ...... | 2 | 3.8 | 10.0 |
| 40 | 25¾ | Ouvah High £1 | 40 | ...... | 3 | 1.2 | 8.7 |
| 125 | 92½ | Pelmadulla £1 | 120 | ...... | 18 | 1.2 | 15.0 |
| 11¼ | 9½ | Rajawella Hldg. 50p | 11 | ...... | — | — | — |
| 13½ | 4¾ | Rosehaugh | 11 | ...... | 5 | 0.4 | 11.5 |
| 4¾ | 4 | Scot. Ceylon | 4 | ...... | — | — | — |
| 21¼ | 16 | Scot. Tea & Ld. £1 | 16 | ...... | [illegible] | 1.4 | 15.6 |
| 54 | 36 | Standard £1 | 54 | ...... | 5 | 1.2 | 9.5 |
| 5 | 3¾ | Tea Corporation | 3 | ...... | — | — | — |

MINES—CENTRAL RAND

EASTERN RAND

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND

PLATINUM

CENTRAL AFRICAN

AUSTRALIANS

TIN—EASTERN

TIN—NIGERIAN

TIN—MISCELLANEOUS

COPPER

| 1971 High | Low | Stock | Closing Price pence | + or − | Div. % amount | Times covered | Gross yield % |
|---|---|---|---|---|---|---|---|
| 111 | 75 | Esperanza (12½p) | 77 | −1 | 40 | 1.9 | 6.5 |
| 16⅛ | 10 | Indian (10p) | 11 | ...... | 11.1 | 3.0 | 10.1 |
| 295 | 212 | Messina (R0.50) | 218 | −2 | 90 | 2.0 | [illegible] |

MISCELLANEOUS

| 1971 High | Low | Stock | Closing Price pence | + or − | Div. % amount | Times covered | Gross yield % |
|---|---|---|---|---|---|---|---|
| 7⅞ | 6 | Burma Mines (17½p) | 6¾ | ...... | — | — | — |
| 28 | 17½ | Cent. Prov. Mnt. (£) | 22 | ...... | 12 | ♦ | 11.6 |
| 31 | 12½ | Charterhall (5p) | 12½ | −½ | — | — | — |
| 612½ | 240 | Cons. Murch (R0.10) | 265 | +15 | 80 | 2.1 | [illegible] |
| [illegible] | [illegible] | [illegible] Mg. Ind. Div. | [illegible] | ...... | 7 | 38.0 | 10.0 |
| [illegible] | 295 | Northgate (C$1) | 295 | −5 | 50 | 2.2 | 7.1 |
| 270 | [illegible] | R.T.Z. | 202 | +2 | 24 | 1.8 | 3.0 |
| 2[illegible] | 60 | Sabina Inds. (C$1) | 61 | −1 | — | — | — |

For Notes, see Stock Exchange Dealings.

Registered at the G.P.O. Printed by St. Clements Press Ltd. for and published by The Financial Times Ltd., Bracken House, Cannon Street, London, E.C.4.

## Lombard

# Warning voices that go unheeded

BY C. GORDON TETHER

ONE OF the more unfortunate, if less evident, consequences of the general pre-occupation in Washington with the international monetary troubles of the advanced countries is that the review of the Third World scene which Mr. Robert McNamara included in his address to the annual meeting of the World Bank attracted little attention. For there can be no doubt that if our civilisation were capable of standing far enough back to be able to see the wood for the trees, it would have no difficulty in recognising this as far and away the most important of all the contributions to this week's great debate on the economic affairs of our planet.

Two sombre conclusions emerge clearly from Mr. McNamara's message. The first is that the currency difficulties of the affluent world that are currently generating so much excitement pale into insignificance when set against the problems that are building up—quietly but no less surely—as a result of the population explosion in the less-developed world.

## Already late

The other is that it is already so late in the day that we cannot afford to delay another minute in getting to grips with this phenomenon if there is to be any hope at all—and there will be very little even then—of averting the final disaster. And the final disaster in this case will take the form of the emergence of a situation wherein it will simply be impossible to stretch the world's resources sufficiently to support in any kind of decency all of those who are born to live on it.

Recent demographic studies had revealed, he pointed out, that even if a net reproduction rate of two children per family could be reached by the developing countries by 2040, their present population of 2,600m. would still increase more than five-fold to 14,000m. before it stopped rising. And each decade of delay in tackling the problem will lead to a population 20 per cent. larger than would otherwise be the case.

Unhappily, in the corridors of power, the sense of urgency that is manifestly called for is conspicuous primarily by its absence. As Mr. McNamara showed, if there is to be any hope of containing the population explosion before the threat it poses to the future of rich and poor countries alike assumes lethal proportions, the whole world has got to take the development crusade far more seriously.

## Lip service

Yet the fact is that many of the proposals the Pearson Committee put forward for speeding up programme progress in the Second Development Decade more than two years ago have not yet been seriously debated—let alone acted upon—by the countries that we have to rely upon to set the pace in these matters.

Lip service has been paid during this week's Washington jamboree to the need to see that the international monetary controversy is resolved before it can add to the difficulties the less-developed countries are already experiencing in raising their living standards from subsistence levels. But it is plain that the U.S. took no account of the hurt its August 15 measures were destined to inflict on them before deciding "to put America first for a change"—otherwise it would have exempted them from the 10 per cent. imports surcharge.

Nor would it have made another savage cut in the flow of economic aid to the Third World to reduce its own payments deficit while doing nothing to stem the flow of private capital to affluent countries.

## The children

Moreover, it is significant that although the U.S. complaint that it is shouldering more than its fair share of the Free World's defence costs has drawn sympathetic noises from almost all the other advanced countries, no attention has been drawn to the fact that in the development field the Americans are contributing much less per head of population terms than other advanced countries.

We have been hearing a great deal of late about the need for the adult population to have full regard in making up its mind about entering EEC to the interests of its children and its children's children. How is one to explain the fact that those who preach this gospel seemingly have so little regard to it in their thinking about the approach to the greatest threat of all to the future of the race?

## THE LEX COLUMN

Index fell 4.5 to 409.2

# RMC justifies its premium rating

Ready Mixed Concrete was in reverse gear in the first half of 1970, when profits fell nearly £600,000 to £2m. after appalling first quarter weather, particularly in Germany. This time around the weather was mild, volume has been strong in Germany, Austria and Israel—not to mention the U.K., where an 11 per cent. or so rise in the ready-mixed market compares with around 2½ per cent. for cement. Thus a 70 per cent. rise in profits, to £3.4m., from the first six months of 1971 has to be seen in the context of inflation v. depression and that may be why the shares eased 1p yesterday to 142½p. But this is hardly giving much weight to the forecast of second half profits "well in excess" of the 1970 figure.

The point about the forecast is that the second half of 1970 saw profits up from £3.6m. to £5.2m., so in July-December this year we are back to comparable ground. There may still be a certain amount of inflation in the projections, since the last round of ready-mixed and aggregate prices for RMC only came in May while the 1970 depreciation charge was bumped up by £655,000 to get early tax relief in Germany. In fact, some slowdown in the growth of depreciation and interest charges could be a very effective gearing factor, considering that the charges together have amounted to over £14m. in the past reported 12 months against £8½m. of pre-tax profits. For the year, therefore, there must be hope of something in the £9½m. to £10½m. region, against £7.1m. in 1970, producing earnings of around 7.6p a share in the middle of the range and a prospective p/e of 18½. Coming down from an historic multiple of over 24, this more than justifies RMC's premium on the building materials sector.

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### Delta Metal

IMI has already spelt out an unexciting story for semi-fabricated copper products in the first half of 1971, and Delta Metal has a similar tale to tell with one crucial difference: demand strength in its high margin product areas. U.K. building—taps, pipes and wiring, all with a juicy value added content, take around a quarter of sales: three-quarters of that goes to the renovation market, and in the first six months Government grants for conversions and improvements in England and Wales jumped 2½ times in value. Add to that a good performance in cables, plus the lower copper price which must have released as much as £8m. of working capital, and the upshot is interim profits up from an adjusted £5.85m. to £7.02m., including for the first time attributable associated company income of £872,000 against £786,000.

Current half profits will be roughly similar to the first six months which does not, apparently, imply a trading deterioration despite a seasonal bias averaging around 45:55 over the past five years. Equally, there are few signs of improving orders for the heavy semis, which may not be worrying since buyers tend to hold off so long as the copper price is slipping. Yet a prospective p/e of about 13 at 105p remains a balance between a low growth market and Delta's improving sales mix within that: the speculation is that the first leg of the compromise may not be so evident next year.

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### First National

There were no acquisitions to boost FNFC's first half results this year, but profit-taking clipped 10p off the shares to 332p yesterday on news of a 35 per cent. pre-tax gain to £3.25m. and a 65 per cent. jump in the net. It would be no surprise if it was instalment credit (37 per cent. of 1970 profits) which is making the running here on the favourable interest rate swing.

In any case this means latest 12-month earnings of £3.6m. on a fully diluted basis to be compared with an equivalent equity capitalisation of some £85m.—and a historic p/e ratio of 23½. Aside of the clear probability of further second half growth, it is easy to see how the rating could hold on growth grounds irrespective of the quality of earnings in investment banking and property development (60 per cent. of 1970 profits). For margins on the HP side must still be on an improving trend; the state of the equity market demands no particular cautions on the investment side; and a £40m. flat-bank seems to assure the profitability of the property dealing side for a good while.

Meanwhile the Spey Finance acquisition can now be seen as an effective rights issue, adding some 45 per cent. to net worth.

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### Reyrolle Parsons

With the Reyrolle Parsons price down from 178p to 119p ahead of the half-time statement it could have been the moment for a bear squeeze, but events dictated otherwise. The problem was not so much the drop from £1.49m. to £295,000 before tax in the first six months, for that could have been accounted for by fluctuations in contract completions and a £350,000 downturn for associated companies. What knocked the bottom out of the share price—down 36p to 83p for a capitalisation of just £11.1m.—was the forecast that the second half, where RP normally packs most of its profits (almost two-thirds in 1970) could be just as low. That effectively cuts earnings back to a negligible level, while a passed interim dividend underlines the liquidity problem.

Clearly the Sizewell postponement has been a blow to overhead recovery, coming on top of the general decline in self-financing turbine business and a big switch to cash-hungry export business. Meanwhile there must be a question mark over the profitability of some of the overseas orders. Yet in so far as 1971 is suffering from the postponement of completions into next year, there is just a glimmer of hope that this year could see the bottom of the trough.

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## Weather

U.K. TO-DAY

A warm southerly airstream will cover most districts, and it is expected to remain dry apart from a little early drizzle near Western coasts. It will be rather cloudy in NW, but elsewhere sunny spells are expected to develop, especially in the South after early morning mist and fog. It will be rather warm in most places.

**London, SE, Cen. S and E Eng., E Anglia, Midlands**

Mist and fog early, then dry with sunny spells. Wind SW light. Max. 21C (70F).

**Channel Is., SW, S Wales**

Mist and fog early with local drizzle. Sunny periods developing. Max. 20C (68F).

**N Wales, NW Eng., Lakes, I. of Man**

Coastal fog and drizzle at first. Sunny intervals developing. Max. 18C (64F).

**Cent. N and NE Eng., Borders**

Variable cloud and sunny spells. Max. 19C (66F).

**E. Scot., Edinburgh, Dundee, Cent. Highlands**

Cloud and sunny spells. Max. 17C (63F).

**SW Scot., Glasgow, Argyll, N. Ireland**

Cloud and sunny spells. Max. 18C (64F).

**Rest of Scotland**

Cloudy and sunny intervals. Wind SW strong at times. Max. 15C (59F).

*Outlook:* Dry and rather warm in South. Some rain and normal temperatures in North.

BUSINESS CENTRES

| | | Y'day Mid-day °C | °F | | | Y'day Mid-day °C | °F |
|---|---|---|---|---|---|---|---|
| Amstrdm. | C | 19 | 66 | Manchstr. | F | [illegible] | [illegible] |
| Bahrain | S | 33 | 91 | Melbourne | C | 15 | 59 |
| Beirut | S | 28 | 82 | Mexico C. | C | [illegible] | [illegible] |
| Belfast | C | 17 | 63 | Milan | S | [illegible] | [illegible] |
| Belgrade | R | 15 | 59 | Montreal | S | 18 | 64 |
| Berlin | C | 13 | 55 | Moscow | F | 11 | 52 |
| Birmghm. | C | 17 | 63 | Munich | C | [illegible] | [illegible] |
| Bristol | D | 17 | 63 | Newcastle | F | [illegible] | [illegible] |
| Brussels | F | 19 | 66 | New York | S | 25 | 77 |
| Budapest | R | 16 | 61 | Oslo | S | 15 | 59 |
| B Aires | C | 19 | 66 | Paris | F | [illegible] | [illegible] |
| Cairo | S | 32 | [illegible] | Prague | C | 14 | 57 |
| Cardiff | D | 17 | 63 | Reykjavik | F | 8 | 46 |
| Cologne | S | 15 | 59 | Rio de J'o | S | [illegible] | [illegible] |
| Copnhagn. | R | 13 | 55 | Rome | S | [illegible] | [illegible] |
| Dublin | C | 19 | 66 | Singapore | S | [illegible] | [illegible] |
| Edinb'rgh | C | 17 | 63 | Stockholm | R | [illegible] | [illegible] |
| Frankfurt | C | 16 | [illegible] | Strasbourg | S | [illegible] | [illegible] |
| Geneva | F | 15 | 59 | Sydney | C | 27 | 81 |
| Glasgow | C | 17 | 63 | Tehran | S | 26 | 79 |
| Helsinki | C | 12 | 54 | Tel Aviv | S | 27 | 81 |
| H. Kong | R | 27 | 81 | Tokyo | R | 24 | 75 |
| Jo'burg | S | 24 | 75 | Toronto | S | 19 | 66 |
| Lisbon | S | 29 | 84 | Vienna | R | 14 | 57 |
| London | C | 20 | 68 | Warsaw | S | [illegible] | [illegible] |
| Luxembrg. | S | 16 | 61 | Zurich | F | [illegible] | [illegible] |
| Madrid | C | 26 | 79 | | | | |

HOLIDAY RESORTS

| | | Y'day Mid-day °C | °F | | | Y'day Mid-day °C | °F |
|---|---|---|---|---|---|---|---|
| Ajaccio | S | 24 | 75 | I. of Man | S | [illegible] | [illegible] |
| Alexndria. | S | [illegible] | [illegible] | Istanbul | C | [illegible] | [illegible] |
| Algiers | C | 22 | 72 | Jersey | F | [illegible] | [illegible] |
| Athens | F | 24 | 75 | Locarno | S | [illegible] | [illegible] |
| Barcelona | F | 22 | 72 | Majorca | F | 21 | [illegible] |
| Biarritz | S | 19 | 66 | Malaga | S | 27 | [illegible] |
| Blackpool | F | 17 | 63 | Malta | F | [illegible] | [illegible] |
| Bordeaux | S | 20 | 68 | Nairobi | S | [illegible] | [illegible] |
| Boulogne | C | 17 | 63 | Naples | C | [illegible] | [illegible] |
| Casablnca. | S | 35 | 95 | Nassau | S | [illegible] | [illegible] |
| Cape Tn. | S | 15 | 59 | Nice | S | [illegible] | [illegible] |
| Corfu | T | 19 | 66 | Nicosia | S | [illegible] | [illegible] |
| Faro | S | 26 | 79 | Oporto | S | [illegible] | [illegible] |
| Florence | S | 22 | 72 | Rhodes | S | [illegible] | [illegible] |
| Funchal | S | 24 | 75 | Salzburg | C | [illegible] | [illegible] |
| Gibraltar | S | 25 | 77 | Tangier | S | [illegible] | [illegible] |
| Guernsey | S | 18 | 64 | Tunis | C | [illegible] | [illegible] |
| Innsbruck | C | 11 | 52 | Valencia | F | [illegible] | [illegible] |
| Inverness | C | 12 | [illegible] | Venice | S | [illegible] | [illegible] |

S—Sunny. F—Fair. C—Cloudy. R—Rain. D—Drizzle. T—Thunder.

Long-range forecast Page 13

# Terms of Government port loans will be tough

BY RAY DAFTER

THE GOVERNMENT plans to provide loans for port authorities which have difficulty in raising funds on the market for renewal of capital debt. The service, announced yesterday, is designed as a safety net, aimed at helping the ports put their financial house in order and to restore market confidence in the industry following the collapse of the Mersey Docks and Harbour Board.

But, says a White Paper—Financial Policy for Ports—the loan conditions will be deliberately tough as encouragement for port authorities to continue to borrow on the market wherever possible or to replace the Government loans at the earliest opportunity.

The loans will normally be long-term (for 10 years or more) with—at present Government lending rates—an initial rate of interest of 9¼ per cent. over 10 years and 10½ per cent. over 10 years to 15 years. As a further incentive for ports to repay quickly the rates will increase progressively over the life of the loan; it is envisaged this could be at the rate of ½ per cent. every two or three years. The Government is also reserving the right to demand repayment at any time.

The terms, says the White Paper, should result in strict financial discipline which, with improved earnings, will encourage the market to resume lending to ports on a long-term basis.

The National Ports Council, which earlier this year was given a more independent and strengthened role in the industry, will vet port authorities to ensure that their financial prospects are sound before the Government loans are approved.

Philip Chappell

A Bill to empower the Government to make the loans will be introduced in the next session of Parliament but any loans necessary before the Bill is passed will be made from the Contingencies Fund.

Mr. John Peyton, Minister for Transport Industries, said yesterday that the proposed legislation would not have saved Mersey Docks from collapse. The port authority would not have been able to satisfy the NPC it was basically viable.

As far as he knew, said Mr. Peyton, there were no ports at present which would be exempt from loan assistance because of a poor financial base, although he realised that if a loan application was refused it would have a serious effect on the confidence in that port.

The loans were intended to help financially sound port authorities to avoid a "disastrous" situation. "Such ports may not be able to keep going if they are unable to renew borrowing," he said.

Mr. Philip Chappell, chairman of the NPC, said there had already been a considerable improvement in management and financial structures in the past year, a fact which had not yet been fully appreciated by the market, depressed by a particular shock: the collapse of Mersey Docks.

The scheme is aimed primarily at helping the independent trust ports which form many of the major dock complexes. Others are either State controlled, like those in the British Transport Docks Board group, owned by private companies or municipal ports.

The White Paper says the recent crisis on the Mersey highlighted weaknesses in the constitution and methods of financing of the trust ports. Not only do their capital structures lack flexibility of equity financing but the Boards do not represent the providers of capital who might be expected to insist on a sound commercial and financial approach.

*Financial Policy for Ports, Command 4794, HMSO, price 7½p.*

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# Computer leasing agreement renewed

By Ted Schoeters

AGREEMENT between International Computers (Holdings) and the organisations participating in Computer Leasings has been renewed, it was announced by the U.K. computer company yesterday.

Through this Computer Leasings continues to have available, on a revolving basis, some £50m. for the acquisition and placing of ICL computing equipment on the U.K. market.

This means that over the next four years the company will be able to finance about £100m. worth of new ICL installations.

The move follows the assurance provided in the House of Commons in July by Mr. Frederick Corfield, Minister of State, Department of Trade and Industry. He then set out conditions under which the DTI was prepared to back a policy of state purchases of ICL equipment and forward sales to commercial organisations outside the Government ambit.

Specifically, assurances were given to the merchant banks and other credit organisations which provide the finance for leased installations of ICL machines.

Observers have singled out this particular guarantee as the most important the Minister could have given. They see the only realistic way of assessing the worth of computer companies as the total value of the equipment they have installed in the user market.

This depends largely on the attitude of leasing companies to individual manufacturers' machines and their expected life.

# £18m. grants for public transport

BY ARTHUR SMITH

AN ESTIMATED £18m. package of grants to improve public transport in towns was announced last night by Mr. Peter Walker, Secretary of State for the Environment.

Infrastructure grants at the rate of 75 per cent. are to be made available for urban and suburban railway rolling stock, resignalling schemes, improved systems of train control and automatic fare collection. Take-up of the money was difficult to forecast but the Department of Environment estimated that the annual cost would be £10m.

## More for buses

The grant for new buses will be doubled from 25 per cent. to 50 per cent., if Parliament approves. At present this grant is running at £7m. a year and is now expected to rise to £15m.

The Department of Environment said the Government's initiative had been under consideration for some time and had nothing to do with the current pressures on British Rail and London Transport to hold down fare increases.

A thorough review of existing measures to help public transport in towns had been undertaken and extension of the infrastructure grants would "make a major contribution towards modernisation of urban and suburban rail services." Mr. Walker said the injection of capital would help train and bus operators to provide a better service.

London Transport claimed that on the basis of its major capital investment programme to improve the underground service, the new grants alone could mean additional Government cash of between £5m. and £6m. a year. A further £1m. would be forthcoming for the bus service, a spokesman estimated.

## London fares

To-day Sir Richard Way, chairman of London Transport Executive, is to announce details of fares proposals to be submitted to the Greater London Council.

A spokesman last night declined to say what effect the new grants would have on the fares situation. He would not comment upon the report that a 13 per cent. rise involving additional annual revenue of £16m. was being sought.

But he welcomed the grants and said: "We have made it clear in discussions with the Government during the past two years that the £650m. we want to provide improved travel over the next 20 years cannot come from fares. We are delighted."

Sir Desmond Plummer, Leader of the Greater London Council which is responsible for policy and financial control of London Transport, welcomed the decision on infrastructure grants.

He said: "I have always said that buses and tubes are as important as London metropolitan roads which already qualify for a 75 per cent. grant. I am glad that our persistent approaches to Whitehall have paid off and that they have now accepted our point of view."

British Rail said last night it was too early to assess the effect of the new grants.

To date, infrastructure grants have been available only for assisting new railway systems and a limited range of improvements, such as electrification, and projects to help buses.

# Hope for R-R Ltd shareholders

BY NICHOLAS LESLIE

A RAY of hope for shareholders in Rolls-Royce, Ltd., appeared yesterday when Mr. Rupert Nicholson, the company's Receiver, indicated that sufficient funds may eventually be available for a distribution on shares. However, both creditors and shareholders may have an extended wait for any payment, unless adequate insurance against any possible claims arising in respect of Rolls-Royce products can be speedily arranged.

There is such insurance, but it appears likely that the Receiver would be loathe to pay out any funds unless he is satisfied there is cover for future years after the present policy runs out. This is an important point when considering the size of claims which could arise on products of Rolls-Royce's calibre.

As well as indicating a possible payout, Mr. Nicholson yesterday also rejected the proposals put forward on Tuesday by Mr. Kenneth Cork and Mr. Norman Cork, partners in Cork Gully and Co., as an alternative to liquidation of Rolls-Royce, Ltd. And later in the day, the proposals were withdrawn by the Cork brothers.

Meanwhile, talks between Rolls-Royce and the Government on the price to be paid to the former for its aero-engine division by the Government-owned Rolls Royce (1971) have been adjourned, probably for several weeks. About an hour after the discussions started yesterday, the Government asked for an adjournment to obtain further information, Mr. Nicholson said.

## Full say

In a statement yesterday, Mr. Nicholson said he was opposed to the Cork brothers' proposals because, without a liquidation, there would be no way of having a formal means of consulting shareholders.

Meetings of creditors and shareholders are to be held on Monday to approve liquidation of Rolls-Royce and each will be asked to elect five members to form a committee of inspection to work with the liquidators in the talks on the aero-engine division terms.

The sums involved range between £90m. and £95m., the lower being sufficient to meet creditors' claims in full. If Mr. Nicholson, supported by the committee of inspection, cannot reach agreement on price, the matter would be settled by arbitration. Mr. Nicholson was prepared to say, however, that "there is a chance shareholders will get something," his view having been formed since the successful negotiations with Lockheed on the RB-211 engine.

After a meeting of the creditors' committee yesterday afternoon, a statement was issued disclosing that Mr. Norman Cork felt that since his scheme was dependent on the support of large creditors, which was apparently not forthcoming, he had decided to withdraw the scheme.

Mr. Kenneth Wickenden, of accountants Thornton Baker, who heads the committee, commented that "it is now expected the resolutions proposed by the Board will be passed at Monday's meeting."

The resolutions are for both the liquidation and appointment of liquidators, one of whom is expected to be Mr. Nicholson.

Continued from Page 1

# U.S. gesture on surcharge

the monetary system would be left for settlement later, provided that negotiations on these matters were started in earnest.

The Treasury Secretary cleverly skirted the contentious issue of the gold price and the insistence of the European creditor nations that the U.S. itself participate in the adjustment process by devaluing the dollar against gold. While a change in the gold price would be "retrogressive," he also insisted that it was "of no economic significance," though his speech carefully avoided ruling out an American concession on this issue.

He did give a clear hint that he would be interested in some formula which would satisfy the Europeans and enable the U.S. Administration to claim that its position was unchanged by suggesting that the negotiators should try to find some means "to avoid the contentious issue of the gold price." There are several devices he could have had in mind.

There has been some talk of writing up the value of the IMF Special Drawing Right but this is complex and controversial. Another possibility is the use of Article Four, Section Eight, of the Fund rules for a small devaluation of all currencies in terms of gold in which the stronger Group of Ten members would not participate.

But the feeling is that complex alterations of this kind are best postponed for the long-term reform of the monetary system. Much the most likely way of bypassing the problem in the short term would be through an increase in the gold price in terms of the depreciating currencies and notably the U.S. dollar and the Latin American currencies which are traditionally linked to it, and a decrease in the gold value of the surplus countries. According to IMF doctrine, this would mean there was no net change in the gold price but a mixed bag of devaluations and revaluations.

Mr. Connally gave his support to the British Chancellor's suggestion that an expansion of the IMF Special Drawing Rights scheme should be at the basis of any long-term reform of the monetary system. Afterwards, U.S. Treasury sources indicated thatt here was no objection to phasing out the dollar's reserve currency role and that the U.S. would appreciate the freedom to change its own parity which an SDR-based system might provide.

Although basically in favour of a fixed exchange rate, the Treasury Secretary told the IMF meeting that some increase in flexibility would be appropriate to encourage parity adjustments, but added that special provisions should also be made to ensure that surplus countries carried out their duty to revalue. This reflects the American belief that the present exchange rate system is biased towards devaluations against the dollar and the fear that any parity realignment would be undone by another wave of devaluations when the balance of trade starts to move against the Europeans.

Although the Treasury Secretary showed himself anxious to break the immediate deadlock over the surcharge, he emphasised the link between this aspect of the crisis and the long-term changes in world economic practice that America was also seeking.

Not only would any new monetary arrangements break down without a full and lasting turnabout in the U.S. payments position, but such a turnabout [illegible] be assured if [illegible] changes were reinforced.

# Belfast Protestants show restraint

BY JOHN GRAHAM

BELFAST, Sept. 30.

THE TENSION between Belfast's Protestants and Catholics has been sharply increased by the destruction of a pub in the Shankhill Road last night.

Two men were killed in the explosion, which was the largest yet experienced in Northern Ireland. The city's working-class Protestants are now angrier than they have been for a very long time. Politicians, British Army officers and members of the police force all agree that it was only restraint on the part of the Protestants which has so far prevented a serious riot.

The situation has visibly deteriorated in the last 24 hours. To-day fighting broke out on two different building sites in Belfast between Protestants and Catholics. In each case the Protestants ordered Catholic workers to leave the sites.

The Army and police had to be called in to evacuate 100 Catholic workers from one site. At the other 20 Protestants from the Shankhill Road simply walked on to the site and ordered the Catholics off. An official on the site said: "They came in a bunch and walked right through the site asking the workers what religion they were. If they were Catholic they were told to get off and stay off."

Mr. Brian Faulkner, Ulster's Prime Minister, said of last night's attack was a "reckless and callous crime" and was another deliberate attempt by the IRA "to set both sides in our community against each other."

He added: "I want at this time to commend the remarkable restraint and good sense being shown by so many people in these trying and difficult circumstances."

But it is not Mr. Faulkner who has persuaded the Protestants of the Shankill to keep the peace. It is his Right-wing opponents, the Rev. Ian Paisley, Mr. William Craig, and Mr. Desmond Boal, the MP for Shankill, who were in the area last night, urging restraint.

The extreme anger at last night's outrage has increased the pressure on Mr. Faulkner for tighter security. Lord Carrington, British Secretary of Defence, is in Northern Ireland at the moment, examining the security situation. He is expected to recommend extra measures after talking with Mr. Faulkner tomorrow.

Mr. Faulkner's difficulties have been compounded by the formation of a new political party, the United Loyalist Party. Two more Unionists formally resigned from the party to-day and expressed interest in joining this new party. One was Councillor William Spence, and the other Alderman James Craig. While neither of these men is a particularly important political force, their resignations are part of a continuing trend. Mr. Spence said to-day: "I think the Prime Minister is not strong enough. He has been used like a puppet on a string."

Mr. Faulkner does indeed face a very difficult political period. Next week Parliament will reconvene at Stormont without the presence of the Opposition. On Friday next Mr. Faulkner will have to face the Unionist Council, where his policies are almost certain to be attacked for being too weak.

The demand for decisive action is bound to increase with the intensified IRA campaign. To-day, for instance, it was only by luck or incompetence that there was not another disaster in the centre of Belfast.

## Gelignite bomb

A 30lb gelignite bomb was placed in a room immediately above a crowded restaurant, timed to explode at 12.30. It did not explode, but it was not until long after 12.30 that it was discovered and defused. Had it exploded as planned, police officers say that a great many people would have been killed.